

**VILLAGE OF  
ELK GROVE VILLAGE  
ILLINOIS**

**Comprehensive Annual Financial Report**

**FOR THE FISCAL YEAR ENDED APRIL 30, 2004**

Issued by:

Department of Finance

Christine Tromp  
Director of Finance

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# **Introductory Section**

# **VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

## **PRINCIPAL OFFICIALS**

**April 30, 2004**

### ***LEGISLATIVE***

#### **MAYOR**

**Craig B. Johnson**

#### **TRUSTEES**

**Nancy J. Czarnik**

**Bart K. Dill**

**Patton L. Feichter**

**Samuel L. Lissner**

**James P. Petri**

**Chris Prochno**

### ***ADMINISTRATIVE***

**Gary E. Parrin, Village Manager**

**Ann I. Walsh, Village Clerk**

**Christine Trump, Village Treasurer**

**George B. Knickerbocker, Village Attorney/Prosecutor**

### ***DEPARTMENT HEADS***

**Beverly Jaszczurowski**  
Community Services

**Alan Boffice**  
Engineering &  
Community Development

**Hilda Ingebrigtsen**  
Finance

**James D. MacArthur**  
Fire

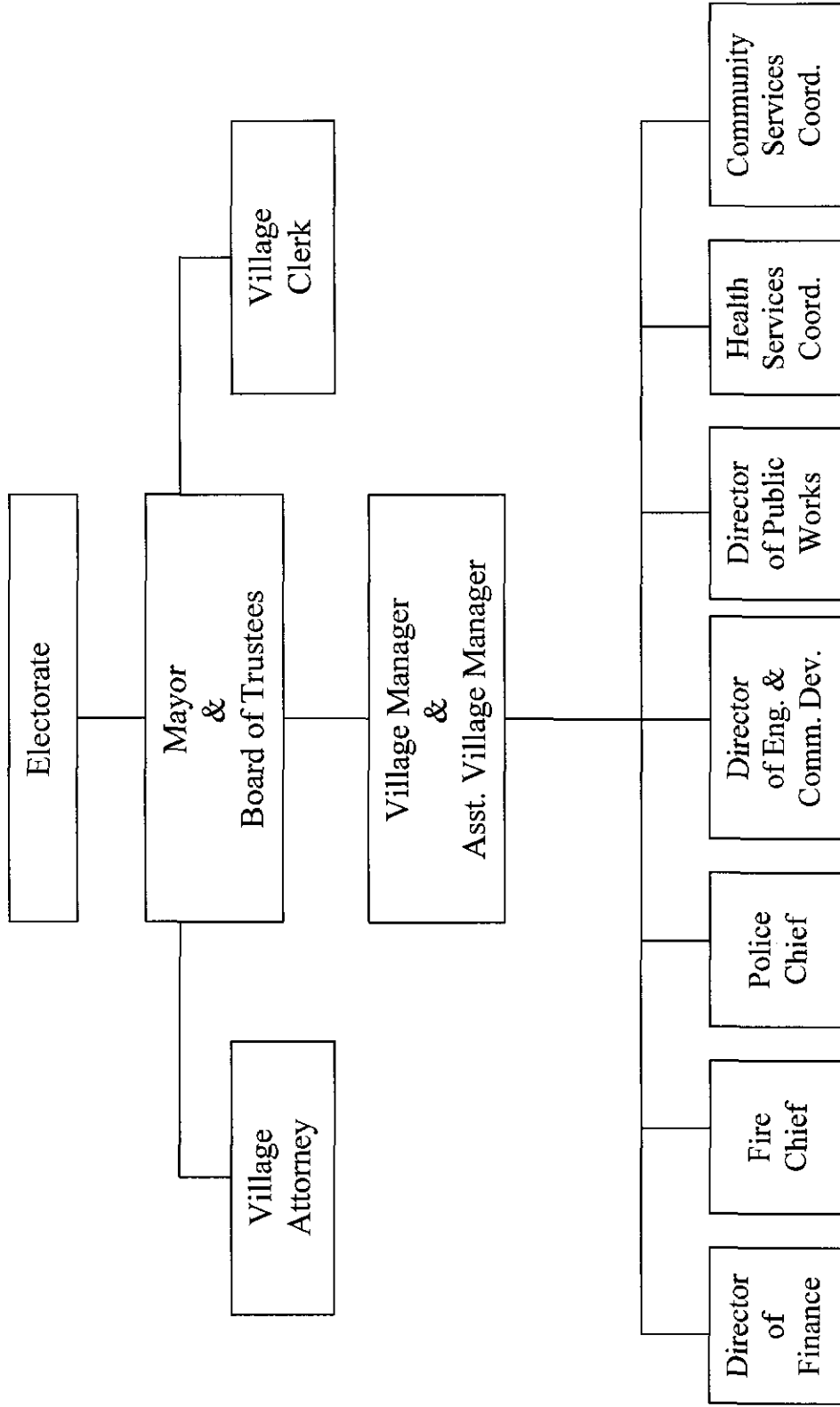
**Michael Cavallini**  
Health Services

**Stephen F. Schmidt**  
Police

**Thomas J. Cech**  
Public Works



# Village of Elk Grove Village, Illinois Organizational Chart



Boards and Commissions Appointed by Mayor with Concurrence of Trustees

Board of Health	Industrial/Commercial Revitalization Commission
Community Service Board	Fire and Police Commission
Police Pension Board	Fire Pension Board
Plan Commission	Zoning Board of Appeals

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Elk Grove Village,  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
April 30, 2003

A Certificate of Achievement for Excellence in Financial  
Reporting is presented by the Government Finance Officers  
Association of the United States and Canada to  
government units and public employee retirement  
systems whose comprehensive annual financial  
reports (CAFRs) achieve the highest  
standards in government accounting  
and financial reporting.



President

Executive Director



Mayor  
CRAIG B. JOHNSON

Village Clerk  
ANN I. WALSH

Village Manager  
GARY E. PARRIN

Village Trustees  
NANCY J. CZARNIK  
BART K. DILL  
PATTON L. FEICHTER  
SAMUEL L. LISSNER  
JAMES P. PETRI  
CHRIS PROCHNO

September 1, 2004

Honorable Mayor,  
Board of Trustees,  
Village Manager, and  
the Citizens of Elk Grove Village, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of Elk Grove Village, Illinois, for the fiscal year ended April 30, 2004 is hereby submitted. This report provides a wide view of the Village's financial activities for the 2004 fiscal year. Although addressed to the elected officials and citizens of the Village, this report has a number of other users. Foremost among these users are bondholders, financial institutions, credit rating agencies, educational institutions, and other governmental agencies. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities are included.

The comprehensive annual financial report (CAFR) is presented in three sections: introductory, financial, and statistical. The introductory section, which is unaudited, contains this letter of transmittal, an organizational chart, and a list of the Village's principal elected and appointed officials. The financial section is comprised of the basic financial statements and the combining of individual fund financial statements and schedules, as well as the independent auditors' report on the financial statements and schedules. The statistical section, which is also unaudited, presents selected financial and demographic information, generally reported on a multi-year basis. Information required for continuing disclosure is also included in the statistical section.

## REPORTING ENTITY

The Village of Elk Grove was incorporated in 1956 and operates under the council/manager form of government. Elk Grove Village is a home-rule community as defined by the Illinois Constitution. Located approximately 22 miles northwest of the City of Chicago, Elk Grove Village has a land area of 10.9 square miles with approximately 131 miles of streets. The Village provides a full range of services to its citizens including police and fire protection; health and social services; water and sewer utilities; planning and zoning; the construction and maintenance of streets and infrastructure; and, general administrative services.

The financial reporting entity defines what operations are considered to be part of the Village for external financial reporting purposes. The Governmental Accounting Standards Board (GASB) Statement No. 14, Defining the Financial Reporting Entity, establishes the criteria used to define the reporting entity and the method of displaying component units. The GASB is an organization that establishes accounting and financial reporting standards for state and local governments in the United States. GASB Statement No. 34 significantly changed the required format for governmental statements in a number of ways. The most significant of these changes required that governments prepare entity-wide financial statements in addition to



the fund-based financial statements that governments have traditionally prepared. This is required to present the financial position of a government and results of operations in a manner similar to that of a business. More information about this new financing reporting model is provided in Management's Discussion and Analysis (MD&A), located in the Financial Section of this report.

The financial reporting entity of the Village of Elk Grove is comprised of all the funds and account groups of the primary government (i.e., the Village of Elk Grove as legally defined), and its component unit: the Elk Grove Village Public Library.

The Library was determined to be a component unit because, under the reporting entity criteria, the Library is fiscally dependent upon the Village. The Library is reported as a discrete presentation. As such, the Library in its entirety is reported in a separate column on the basic financial statements. This is to emphasize the fact that the Library is legally separate from the Village and to differentiate the Library's financial position and results of operations from those of the Village.

In addition, under GASB Statement No. 14, the High-Level Excess Liability Pool (HELP) is defined as a public entity risk pool. The Village's participation in HELP is accounted for accordingly.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The modified accrual basis of accounting is used by all government fund types. Revenues are recognized when they become both measurable and available.

Village management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Village are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with generally accepted accounting principles.

The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

**Budgetary Controls.** The Village maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Fund, Enterprise Fund, and Internal Service Fund are contained in the annual budget approved by the Village Board. In addition to the annual budget, project length financial plans are adopted for the Capital Projects Funds. As a management tool, budgets are also prepared for the trust funds.

The level of budgetary control, that is, the level at which expenditures cannot legally exceed the budgeted amount, is established at the department level. Any budget revisions altering the total budget for a department must be approved by the Village Board of Trustees.

The Village maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Estimated purchase order amounts are encumbered prior to releasing purchase orders to vendors. Purchase orders which would result in an over-expenditure of the budgeted line item are not released until budget transfers are made by the Department. Encumbrances lapse at year-end and, if approved, are included in the following year's budget.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### ***Economic Outlook***

The development, growth, and progress of Elk Grove Village are reflected in the Village's vast, modern Business Park. The Business Park, consisting of manufacturing, warehousing, and distribution firms, is situated in a five square-mile area and employs nearly 100,000 people. Furthermore, the Business Park ranks 2<sup>nd</sup> in the State for the number of manufacturing firms and 3<sup>rd</sup> in the State for the value of the products produced. Currently, 80% of the companies in the Business Park employ 50 people or less.

From 12 firms in 1960, the Business Park has grown to approximately 3,800 firms today. This consistent, exceptional growth is mainly attributable to the Business Park's close proximity and access to O'Hare International Airport, the five interstate and three state highways serving the area, a stable skilled and semi-skilled labor force, an ample supply of suitable sites and buildings, and a wide variety of housing in the area.

The Business Park has produced a stable, broad, and diverse tax base for the Village providing approximately 76% of the Village's property tax revenues and 80% of the Village's sales tax revenues. Accordingly, the Village actively works to recruit new and retain current businesses within the park.

Despite the downturn in the economy, the Village experienced a net gain of 95 new businesses during the 2003 calendar year. In addition, 259 companies relocated or expanded their business within Elk Grove Village. Currently, 94 million square feet of the building space in the Business Park is occupied, with only 6 million square feet vacant.

Continuing economic development efforts maintain the Village's status as the second largest location of employment in the state, second only to Chicago. Furthermore, Elk Grove Village's unemployment rate at 5.7% continues to be below the State of Illinois average of 6.7%. The Village's top employers include Alexian Brothers Medical Center with 2,000 employees, ADP with 1,000 employees, and Field Container with 350. The Village of Elk Grove Village is also a top employer with nearly 400 full-and part-time employees.

In 2003, the financially distressed K-Mart, announced that it would be closing its location within the Village in March 2003. This marked the loss of one of the Village's principal sales tax producers. Fortunately, this created only a short-term vacancy for this large retail site since Home Depot subsequently announced plans to redevelop this location. Home Depot opened in March 2004.

In other retail development news, the Village is continuing to move forward with the redevelopment of the Rohlwing Grove Shopping Center located at the intersection of Devon Avenue and Rohlwing Road. The Village purchased the 9.15-acre shopping center property for \$2,361,720. This property was sold to a developer on May 1, 2003 for \$2,447,480 resulting in a net gain of \$85,760. Current tenants include Belvedere Banquets, Real Time Sports, and Country Inn & Suites (under construction).

### ***Long-Term Financial Planning***

The Village maintains an aggressive economic development strategy to preserve the favorable economic base currently enjoyed by the Village. The Village is proactive and responsive to the needs of its commercial and industrial businesses, and works to enhance communications between industry and government. The Economic Development Division promotes the Village as an excellent location for business due to low taxes and access to all forms of transportation. The Village continues to develop a plan for future commercial development.

The Village annually updates a 5-Year Capital Plan to assist in budgetary preparation for large capital projects. For a project to be included in the Capital Plan, it must involve the creation or purchase of a tangible asset with an original cost that exceeds \$10,000 and has a useful life of more than one year. Most projects in the Capital Plan include infrastructure enhancements.

### ***Cash Management***

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the U.S. Government and its agencies. The Village's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. The average yield on investments, except for the Pension Trust Funds, was 2.21% compared to 2.8% last year. These funds are invested in government securities and certificates of deposit.

The Firefighters' and Police Pension Trust Funds maintained investment returns of 8.25% and 7.46% respectively, compared to 0.24% and 1.21% last year. Illinois State Statutes now allow police and firefighter pension funds to invest in equities. Both the Police and Firefighters' pensions began taking advantage of this investment alternative in fiscal year 2000. Investment returns on equities were higher than last year, but still erratic due to volatility in market conditions.

### ***Risk Management***

The Village maintains a limited self-insurance program for liability coverage, workers' compensation, and health benefits for both employees and retirees. An integral part of the Village's self-insurance program is an emphasis on loss prevention. A safety committee comprised of employee representatives from each department meets monthly to review accident and injury reports involving employees. This committee makes recommendations and suggestions to improve and promote workplace safety.

Funding for the self-insurance program is provided for in the annual budgets of the General Fund, Waterworks and Sewerage Fund, and Industrial/Commercial Revitalization Fund. All known claims and an estimate for claims incurred but not reported at fiscal year end are recorded as liabilities in the respective fund. The total estimated liability for self-insured losses recorded as of April 30, 2004 is \$744,405 and \$239,817 for the General Fund and the Waterworks and Sewerage Fund respectively, for a total of \$984,222.

The Village participates in the High-Level Excess Liability Pool (HELP), a consortium of fifteen municipalities formed to provide excess liability insurance. HELP provides \$12,000,000 liability coverage in excess of a \$2,000,000 self-insured retention. The retention is covered by each member in the form of primary insurance or self-insurance. HELP retains the next \$3,000,000 and re-insurance obtained by HELP covers the next \$7,000,000. Further HELP information is included within the Notes to the Financial Statements.

### ***Employee Pensions***

Sworn Police personnel are covered by the Police Pension Employees Retirement System and sworn Fire personnel are covered by the Firefighters' Pension Employees Retirement System. Both of these plans are

single-employer, defined benefit plans administered by local boards of trustees. The defined benefits and employer and employee contribution levels are governed by Illinois State Statutes.

The State of Illinois Department of Insurance requires Illinois municipalities to engage an independent actuary for periodic valuations and updates or use Department of Insurance actuarial reports. The Village contracts with an independent actuary to perform actuarial valuations or updates for both pension plans in order to apply assumptions specific to the Village's pension plans. The Village will continue obtaining an independent actuarial valuation for each plan and maintain a well-funded status based on actuarial requirements. The most recent actuarial valuations performed indicate that the Police Pension plan is 83.4% funded and the Firefighters' Pension plan is 86.5% funded.

All other full-time employees and employees working an excess of 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide pension plan. Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by State Statutes. The employer is required to contribute at an actuarially determined rate. The Village's rate for calendar year 2003 was 9.29%. IMRF acts as the administrative agent for local governments and school districts in Illinois. Illinois State Statutes establish benefit provisions and funding requirements. The Village contributed 100% of the requirements to IMRF.

## **MAJOR LOCAL INITIATIVES**

**For the Year.** Fiscal Year 2004 was another successful year for infrastructure projects and state funding assistance. In Fiscal Year 2004, the Village received assistance for the funding of two (2) key projects. The Village is extremely appreciative of the federal and state grants received and the services they make possible. Federal and state grants continue to be pursued so that the Village can offer the best possible public services at the lowest cost.

### ***Salt Creek Stabilization***

The stabilization of Salt Creek remains a concern for the Village. Streambank erosion along Salt Creek is causing the loss of property abutting the creek. Stabilization of the streambanks helps preserve the properties and improves water quality. There are two (2) phases to the Salt Creek Stabilization Program. Phase I was completed during Fiscal Year 2004. Phase II began in Fiscal Year 2004 and will continue throughout Fiscal Year 2005. The Village received \$759,685 in funding from the Illinois Environmental Protection Agency (IEPA) for Phase I of the project. IEPA provided the Village will \$291,000 in funding for Phase II. Additionally, remaining costs were shared with the Elk Grove Park District and School District 214. Upon completion, it is anticipated that over 10,000 feet of stream bank will be stabilized.

### ***Lively Boulevard Reconstruction***

In Fiscal Year 2004, the Village received \$542,000 in funding from the State of Illinois to reconstruct Lively Boulevard from Howard Street to Higgins Road. This project also involves the widening and resurfacing of Oakton Street from Bonnie Lane to Higgins Road. Construction of this project began early in Fiscal Year 2005. After completion, the project will provide for two (2) traffic lanes in each direction, including median channelization.

**For the Future.** As the result of continuing economic uncertainties at home and abroad, the Village decided to reduce costs by deferring various purchases and projects. Despite these impediments, our community's leaders have committed themselves to preserving Elk Grove Village's quality of life. The Village will continue to invest in its future through various long term programs and policies that will ensure

the Village's status as an "Exceptional Community". In the coming year, the Village plans to modernize and improve existing infrastructure by:

- continuing the revitalization of the Business Park through numerous Industrial/Commercial Revitalization programs;
- widening Biesterfield Road;
- stabilization of the Salt Creek stream banks; and
- continuing participation in the Northwest Traffic Corridor Study.

*Industrial/Commercial Revitalization.* Moving into the 6<sup>th</sup> year of a ten-year Industrial/Commercial Revitalization Program, several major infrastructure and transportation projects are about to come to fruition within the Business Park. Some of the more notable ICRC projects scheduled for the upcoming fiscal year include:

- Installation of thirteen (13) additional gateway signs with landscaping;
- Landscaping improvements, development of pocket parks and Public Works well site enhancements;
- Lighting enhancements at the Arlington Heights Road and Higgins Road intersection and on Lively Boulevard from Landmeier Road to Higgins Road;
- Reconstruction of Lively Boulevard from Howard Street to Higgins Road.

The Industrial/Commercial Revitalization Program is funded with a 3% tax on all telecommunications. In addition to this funding, the ICRC Program has secured over \$12 million in Federal, State, and County funding for numerous transportation improvements within the Business Park.

**Focus on Departments.** All departments continue to provide a high level of services to Village residents and the industrial/commercial community. Some highlights of department activities over the past year are indicated below.

#### ***Cable Television***

At the end of Fiscal Year 2003, the Village took over control of the local public access television station, Channel 6. Prior to the transition, the Elk Grove Park District operated Channel 6. During Fiscal Year 2004, the Cable Television Department covered 15 events and 36 meetings. The Department also produced 9 public service announcements and 102 programs.

#### ***Fire Department***

In February of 2004, the Fire Department took delivery of a 2004 model year command and communications van. This vehicle is used as a mobile command center to coordinate operations during emergency situations. Until this time, the Fire Department had been using a 1979 model vehicle that was donated to the Village by Western Electric in 1984, and had exceeded its useful life. In researching the purchase of a new communications van, the Fire Department was provided an opportunity to purchase a demonstration unit at a reduced cost. In April of 2004, the Elk Grove Village Fire Department applied for an Assistance to Firefighters Grant from the U.S. Fire Administration in the amount of \$55,980 to purchase communications equipment for the van. Equipment requested includes portable and mobile radios, headsets, cellular phones, a vehicle-mounted video camera, a roof-mounted mobile antenna, and an ICRI radio/telephone interconnect device. Notification will be issued to the Village during Fiscal Year 2005.

#### ***Police Department***

In April of 2004, the Police Department welcomed its newest member, K-9 Vasco. Vasco, a Belgian malinois from the Netherlands, replaces the Department's first police dog, Mike, who passed away last year



from cancer. Vasco, along with K-9 Sjowy, receive specialized training in search and rescue, patrolling, and narcotics, and work regular 8-hour shifts with their handlers. Both dogs only respond to commands in Dutch and live with their handlers.

### ***Public Works Department***

For the 19<sup>th</sup> consecutive year, the National Arbor Day Foundation bestowed the Tree City USA award upon the Public Works Department. This prestigious award recognizes the Village's effective community forestry program. Public Works crews planted 150 new parkway trees. In addition, 5,000 parkway trees were trimmed to promote proper growth, remove unsafe branching, and shape our urban forest. During Fiscal Year 2004, the Large Branch Collection Program completed its fourth year of operation. Offered to residents during four (4) weeks of the spring season, the program generated 25 cubic yards of reusable wood chips for residents.

## **INDEPENDENT AUDIT**

State Statutes require an annual audit by independent certified public accountants. The accounting firm of Sikich Gardner & Co, LLP was selected by the Village. The independent auditors' report is included in the financial section of this report.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report for the fiscal year ended April 30, 2003. This was the twentieth consecutive year the Village has received this prestigious award.

In order to be awarded a Certificate of Achievement, the Village of Elk Grove must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The April 30, 2003 report satisfied both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

A Certificate of Achievement is valid for only one year. I believe the Village's comprehensive annual financial report for the fiscal year ended April 30, 2004 continues to meet the Certificate of Achievement Program's requirements, and I am submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments.** In closing, I would like to express my sincere gratitude to all members of the Finance Department who directly assisted and contributed to the preparation of the Comprehensive Annual Financial Report. In particular, I would like to acknowledge Chris Soriano, Assistant Director of Finance, Sandy Smalley, Accounting Supervisor, and Cathy Miarnowski, Assistant to the Director of Finance.

I also wish to express my appreciation to the Mayor, Board of Trustees, and the Village Manager for their leadership and continued support which made the preparation of this report possible.

Respectfully submitted,



Christine Tromp  
Director of Finance



# **Financial Section**

# INDEPENDENT AUDITOR'S REPORT





**Sikich Gardner & Co, LLP**

Accountants & Consultants

998 Corporate Boulevard  
Aurora, IL 60504

A Member of Sikich Group, LLC

MEMBERS OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
ILLINOIS CPA SOCIETY

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Village Mayor  
Members of the Board of Trustees  
Village of Elk Grove Village, Illinois

We have audited the basic financial statements of the Village of Elk Grove Village, Illinois as of and for the year ended April 30, 2004, as listed in the accompanying table of contents. These basic financial statements are the responsibility of the Village of Elk Grove Village, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Village of Elk Grove Village, Illinois as of April 30, 2004, and the results of its operations and cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 30, 2004 on our consideration of the Village of Elk Grove Village, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements as a whole. The combining and individual fund financial statements and schedules and the financial information listed as other supplemental information in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Elk Grove Village, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The Village has adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments*, Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures* and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, as of May 1, 2003. This results in a change in the Village's format and content of the basic financial statements and notes to financial statements.

The Management's Discussion and Analysis and the required supplementary information listed in the accompanying table of contents is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The information contained in the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion thereon.

Aurora, Illinois  
July 30, 2004



# GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

## **Management's Discussion and Analysis (MD&A)**

The Management Discussion and Analysis (MD&A) provides the readers of the Village of Elk Grove's financial statements with a narrative overview and analysis of the financial activities of the Village of Elk Grove for the fiscal year ended April 30, 2004. The information presented here should be considered in conjunction with the additional information provided in the Letter of Transmittal, found on pages iv through x of this report.

### **Overview of the Financial Statements**

For the first time, the Village's financial statements are presented as two kinds of statements. Government-wide statements provide information on the finances of the Village as a whole; major fund statements provide a snapshot look at Village resources that have been segregated for a specific purpose. Together, these statements allow for in-depth comparison year to year for Village financial activities, and for comparison with the financial state of other governments.

### **Government-wide Financial Statements**

The government-wide financial statements report the overall finances of the Village in a manner similar to that of a private sector business. These statements combine and consolidate short-term, consumable resources with capital assets and long-term obligations.

***Statement of Net Assets.*** The Statement of Net Assets presents information on all of the Village's assets, less liabilities, resulting in net assets for the fiscal year. Over time, increases or decreases in net assets may indicate whether the financial position of the Village is improving or deteriorating.

***Statement of Activities.*** The Statement of Activities presents information showing how a government's net assets changed during the most recent fiscal year. All changes in net assets are reported as a result of the year's activities and events. Much like a private sector business, all revenues and expenses are reported regardless of the timing of when cash is received or paid out.

Both of these government-wide financial statements distinguish functions of the Village that are financed primarily by taxes, intergovernmental revenues, and charges for services (governmental activities) whereby user fees and charges to customers cover all or most of the cost of the service provided (business-type activities). The Village's governmental activities include general government, public safety, highway and streets, health services, and community services. Business-type activities of the Village are water and sewer systems.

The government-wide financial statements include not only the Village itself (the primary government), but also the Elk Grove Public Library (the "Library"). The Village is financially responsible for the Library, but the Library has a separate governing board. As the Library is a legally separate component unit, its financial information is reported separately from the financial information of the Village.

The government-wide financial statements can be found on pages 14 through 16 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate fiscal accountability and compliance with finance-related legal requirements. Fund financial statements provide more detailed information about the Village's most significant funds, rather than the Village as a whole. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to report most of the Village's basic services. Governmental fund financial statements focus on the inflows and outflows of current resources and the balances of spendable resources available at the end of the fiscal year. Governmental fund statements provide a short-term view of the Village's operations. The governmental funds Balance Sheet provides a reconciliation to the Statement of Net Assets; the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provides a reconciliation to the Statement of Activities.

The Village maintains 16 governmental funds. There are six major funds which have separately presented information in the governmental fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. These are the General Fund, Industrial/Commercial Revitalization Fund, Debt Service Fund, Capital Projects Fund, Grove Mall Redevelopment Fund and Devon/Rohlwing Redevelopment Fund. The ten nonmajor funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The Village adopts an annual budget for its General Fund and certain special revenue funds. Budgetary comparison statements have been provided for analytical purposes.

The basic governmental fund financial statements can be found on pages 14 through 28 of this report.

**Proprietary Funds.** The Village maintains two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. The Village uses an enterprise fund to account for its water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among



the Village's various functions. The Village uses an internal service fund to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of five (5) or more years. These purchases are financed through a cost reimbursement to the Capital Replacement Fund from the account of the appropriate Village function.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Information for the operation of the water and sewer system is provided separately, as it is considered a major fund of the Village. Information on the internal service fund is also provided in the proprietary fund financial statement.

The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

***Fiduciary Funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Activities from fiduciary funds are not included in the government-wide financial statements because the Village cannot use these assets for its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds: the Police Pension Fund and the Firefighters' Pension Fund.

The basic fiduciary financial fund statements can be found on pages 27 through 28 of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 65 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 68 through 73 of this report.

The combining statements for nonmajor governmental funds, enterprise funds, and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 75 through 109 of this report.

## Government-wide Financial Analysis

In accordance with GASB Statement No. 34, the Village is not required to restate prior periods for the purposes of providing comparative information. However, in future years, a comparative analysis of government-wide information will be presented.

*Net Assets.* The following table reflects the condensed Statement of Net Assets.

### Statement of Net Assets April 30, 2004

	Governmental Activities	Business-Type Activities	Total Primary Government
Current and Other Assets	62,957,189	10,740,318	73,697,507
Capital Assets	67,104,346	14,771,663	81,876,009
<b>Total Assets</b>	<b>130,061,535</b>	<b>25,511,981</b>	<b>155,573,516</b>
Long-Term Liabilities	21,863,111	41,732	21,904,843
Other Liabilities	15,511,056	909,620	16,420,676
<b>Total Liabilities</b>	<b>37,374,167</b>	<b>951,352</b>	<b>38,325,519</b>
Net Assets:			
Invested in Capital, Net of Debt	46,071,963	14,771,663	60,843,626
Restricted	7,672,108	-	7,672,108
Unrestricted	38,943,297	9,788,966	48,732,263
<b>Total Net Assets</b>	<b>92,687,368</b>	<b>24,560,629</b>	<b>117,247,997</b>

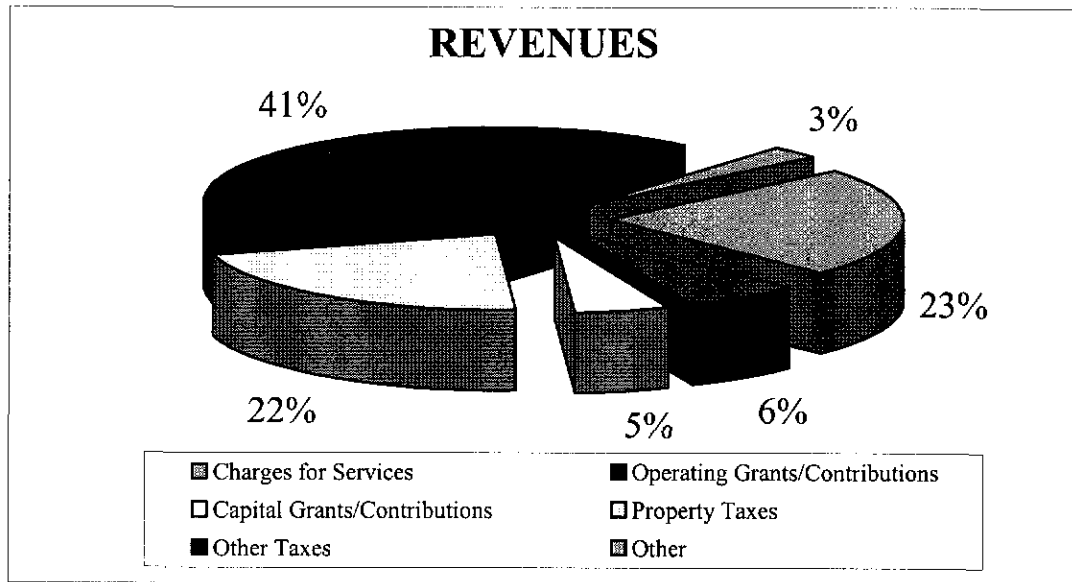
With the slow recovery of the economy, expenditures exceeded revenue sources, and in turn, resulted in a decrease in net assets. In addition, the Village experienced higher expenditures in Blue Cross/Blue Shield PPO claims as well as self insured workers compensation and property claims.

The decrease in net assets of the business-type activities is attributable to the decrease in billed water and sewer during the year. Vacancies in the industrial park due to the downturn in the economy resulted in less demand for water services. The decrease in operating revenue was matched by a slight increase in operating expenses.

**Statement of Activities.** The following table summarizes the revenues and expenses of the Village's activities.

**Change in Net Assets  
For the Fiscal Year Ended April 30, 2004**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
<b>REVENUES</b>			
Program Revenues:			
Charges for Services	3,646,818	7,725,149	11,371,967
Operating Grants and Contributions	3,089,476	-	3,089,476
Capital Grants and Contributions	2,548,227	-	2,548,227
General Revenues:			
Property Taxes	10,502,231	-	10,502,231
Other Taxes	19,750,309	-	19,750,309
Other	1,314,919	58,771	1,373,690
<b>Total Revenues</b>	<b>40,851,980</b>	<b>7,783,920</b>	<b>48,635,900</b>
<b>EXPENSES</b>			
General Government	6,353,807		6,353,807
Public Safety	20,506,176		20,506,176
Highway and Streets	11,795,537		11,795,537
Health Services	1,300,937		1,300,937
Community Services	327,246		327,246
Water and Sewer	-	8,608,588	8,608,588
Interest and Fiscal Charges	1,077,282		1,077,282
<b>Total Expenses</b>	<b>41,360,985</b>	<b>8,608,588</b>	<b>49,969,573</b>
<b>Excess</b>	<b>(509,005)</b>	<b>(824,668)</b>	<b>(1,333,673)</b>
Gain (Loss) on Sale of Capital Assets	5,891	(4,725)	1,166
<b>Change in Net Assets</b>	<b>(503,114)</b>	<b>(829,393)</b>	<b>(1,332,507)</b>

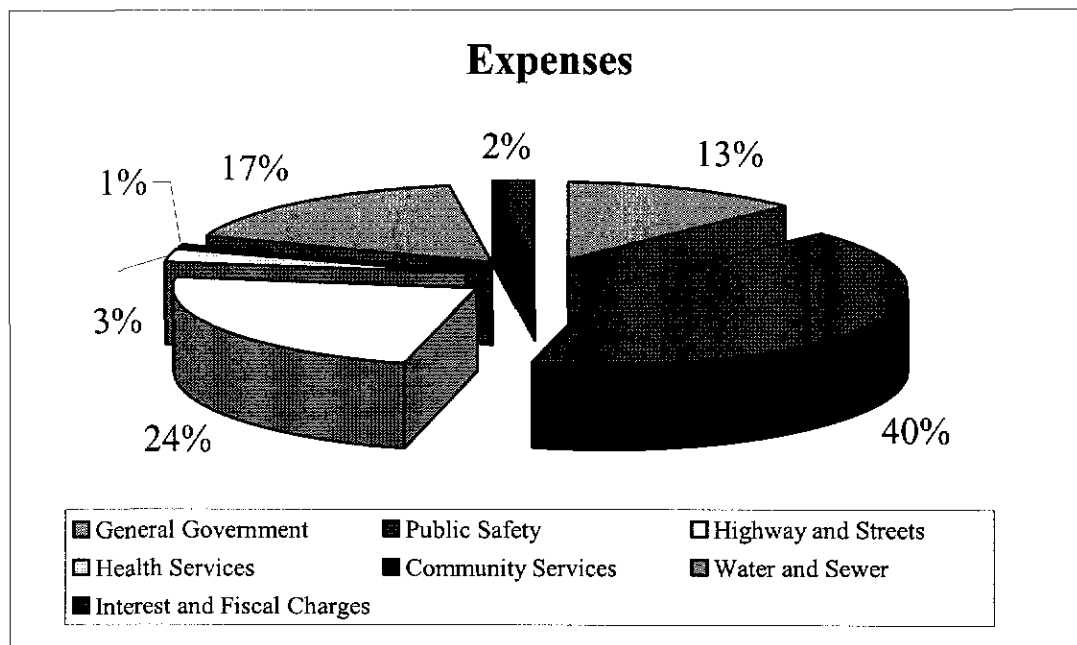


For the fiscal year ended April 30, 2004, revenues totaled \$48.6 million. The Village benefits from a highly diversified revenue base. Revenues from the Village's largest single source, property taxes, amounted to \$10.5 million. Property taxes support governmental activities, debt service obligations, and state mandated contributions to the Fire and Police Pension Funds, as well as IMRF. Between 2003 and 2004, property tax revenues increased due to higher equalized assessed value (EAV) in the Village and the increase in the property tax rate. The Village's property tax rate increased 10.82% to \$0.512 per \$100 of EAV. The increase in the property tax rate is attributable to greater contribution requirements for pensions, as mandated by the state.

The "other taxes" classification includes a number of different revenue sources. Among those are sales and use taxes, real estate transfer tax, hotel/motel occupancy tax, telecommunication taxes, food and beverage tax, cable franchise tax and other franchise taxes. The two major types of sales taxes are the retailer's occupation tax (ROT) and the home-rule sales tax. Both of these sales taxes in Cook and Dupage counties are collected by the State of Illinois. The equivalent of 1% of ROT is remitted to Elk Grove Village. The home-rule sales tax rate is 0.75% with all of the proceeds remitted to the Village. The Village also has a Food and Beverage tax of 1%. Additionally, the Village implemented a \$0.01 per therm Natural Gas use tax starting Jan 2004. Anticipated revenue is \$600,000 annually.

In 2004, Sales and use tax revenues were \$11.7 million compared to \$10.9 million in 2003. State-shared sales taxes and the home-rule sales taxes are recorded in the General Fund.

The major revenue component of the "charges for services" classification are fees from the Village's water and sewer utility. Water and sewer revenue was \$7.7 million in 2004, compared with \$8.0 million in 2003. Vacancies in the industrial park and a cool, wet summer contributed to this decrease.



The Village of Elk Grove Village's expenses amounted to nearly \$50 million in 2004. Public safety expenses related to the operations of the Police Department and Fire Department accounted for the largest share of the total. More than 50% of the Village's General Fund expenses are related to public safety. Expenses for the Fire and Police Departments in the General Fund totaled \$10,085,311 and \$10,443,456 respectively. The majority of these costs are due to salary expenditures and health care benefits. Total expenditures for the General Fund totaled \$29,250,576. The third largest expenditure is due to Highways and Streets, with a total FY04 expenditure of \$4,950,242. Highways and Streets include both the Public Works and Engineering Departments.

Several collective bargaining agreements established salary increases during Fiscal Year 2004. Those agreements provided for various step and general cost of living increases. The cost of living increases were in the range of 3.25% to 4.57% in 2004.

Possible adjustment to firefighters salary was accounted for as an expense in 2004 even though the Fire Union contract is still under negotiations due to GAAP requirements.

### **Financial Analysis of the Village's Funds**

At April 30, 2004, using the modified accrual basis of accounting, the governmental funds had a combined fund balance of \$38,766,892. This reflects a \$2,970,127 decrease over the prior year. The General Fund contributed \$4,249,905 to the lower combined fund balance.

**General Fund Budgetary Highlights**  
**For the Fiscal Year Ended April 30, 2004**

	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Taxes	19,265,820	19,265,820	21,240,733
Licenses and Permits	1,887,058	1,887,058	2,081,155
Other	4,354,101	4,354,101	4,775,771
<b>Total Revenues</b>	<b>25,506,979</b>	<b>25,506,979</b>	<b>28,097,659</b>
<b>EXPENDITURES AND TRANSFERS</b>			
Expenditures	(28,143,500)	(28,878,476)	(29,250,576)
Transfers Out	-	(5,000,000)	(5,000,000)
Transfers In	-	900,000	900,000
<b>Total Expenditures and Transfers</b>	<b>(28,143,500)</b>	<b>(32,978,476)</b>	<b>(33,350,576)</b>
<b>Change in Fund Balances</b>	<b>(2,636,521)</b>	<b>(7,471,497)</b>	<b>(5,252,917)</b>

The negative General Fund results were attributable to Blue Cross/Blue Shield PPO costs, (self insured plan), self insurance costs related to workers' compensation as mandated by the State Industrial Relations Board and property claims, and the transfer out to the Legal Defense Trust Fund.

Total tax revenues in the General Fund were over budget mainly due to a change in the property tax levied for the police and fire pension funds in the amount of \$1.2 million. Collections were greater with Sales and Use tax \$252,662 over and Real Estate Transfer tax \$161,983 over. The increase in tax revenue was due to the addition of a large retail home improvement warehouse and the continued lower interest rates.

With respect to the business-type activities, the Water and Sewer Fund recorded less than expected results for 2004. As discussed above, lower water and sewer revenue accounted for a large measure of the decrease to net assets of the business-type activities. The change in net assets for the year was a negative \$829,393. Operating income for the Water and Sewer Fund was \$7.7 million. Expenses were under budget by \$1.0 million because of limiting unnecessary expenses and reduced demand for, and purchase of water.

The Village of Elk Grove approved seven budget amendments during the year. The last of these amendments served mainly to authorize increase in the insurance budget. The focus of the amendments were to capture the actual cost. The amendments were:

- \$702,350 increase to the ICRC fund for the Busse Road Bus Shelter Project. Grant monies were received to help subsidize this project.
- \$160,952 additional increase to the ICRC fund for the Busse Road Bus Shelter Project. The original low bidder for this project could not secure the required bonds. The budget increase was necessary to cover the bid offer made by the 2<sup>nd</sup> lowest bidder.
- \$500,000 increase to the ICRC expense fund to be contributed to the Legal Defense Fund.
- \$5,000,000 increase to the Legal Defense Fund for professional services.
- \$118,000 increase to the Capital Projects Fund for the installation of videoconferencing equipment. This expense was later covered by a grant from FEMA.
- \$95,070 increase to the Capital Replacement Fund for the purchase of a replacement police/fire communications van. Although this purchase was originally planned for FY05, the Village found a demonstration model with all the necessary equipment for a substantially reduced price and took delivery in fiscal year 2004.

### Capital Assets

The following schedule reflects the Village's capital asset balances as of April 30, 2004.

#### Capital Assets As of April 30, 2004

	Governmental Activities	Business-Type Activities	Total
Land	4,816,828	1,856,369	6,673,197
Land Right of Way	27,266,097	-	27,266,097
Buildings and Land Improvements	27,962,737	4,758,673	32,721,410
Machinery and Equipment	3,584,206	2,405,437	5,989,643
Licensed Vehicles	5,386,792	916,285	6,303,077
Underground Water and Sewer Lines	-	12,952,329	12,952,329
Infrastructure	41,837,700	-	41,837,700
<b>Total</b>	<b>110,854,360</b>	<b>22,889,093</b>	<b>133,743,453</b>
Less:			
Accumulated Depreciation	(43,750,014)	(8,117,430)	(51,867,444)
<b>Total</b>	<b>67,104,346</b>	<b>14,771,663</b>	<b>81,876,009</b>

**Major capital asset events during fiscal year 2004:**

- Salt Creek Stabilization Project continued with \$818,811 in work completed during FY04
- Busse Corridor Improvements in the amount of \$707,156
- Videoconferencing system in the amount of \$92,759 received and implemented with via assistance of grant from FEMA
- Purchase of a communications van to be shared by the Fire and Police Departments in the amount of \$95,383
- \$196,360 in sanitary sewer rehabilitations and improvements
- Rehabilitation of the Pratt Lift Station in the amount of \$192,101

For more information on the Village's capital assets, see note 4 in the notes to the financial statements.

**Long-Term Debt**

The table below summarizes the Village's bonded and similar indebtedness.

**Bonded and Similar Indebtedness  
As of April 30, 2004**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
General Obligation Bonds	21,733,782	41,732	21,775,514
<b>Total</b>	<b>21,733,782</b>	<b>41,732</b>	<b>21,775,514</b>

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's credit rating by Moody's Investors Services, Inc. is rated at Aa1. These bonds are generally known as high-grade bonds. Bonds rated Aa are judged to be of high quality by all standards. The modifier 1 indicates that the issue ranks in the higher end of its rating category.

For more information on the Village's capital assets, see note 6 in the notes to the financial statements.



## **Economic Factors**

Despite the downturn in the economy, the Village experienced a net gain of 95 new businesses during the 2003 calendar year. In addition, 259 companies relocated or expanded *their business within Elk Grove Village*. Currently, 94 million square feet of the building space in the Business Park is occupied, with only 6 million square feet vacant. Continuing economic development efforts maintain the Village's status as the second largest location of employment in the state, second only to Chicago. Furthermore, Elk Grove Village's unemployment rate at 5.7% continues to be below the State of Illinois average of 6.7%. The Village is continuing the redevelopment of the Rohlwing Grove Shopping Center located at the intersection of Devon Avenue and Rohlwing Road. The Village purchased the 9.15-acre shopping center property for \$2,361,720. This property was sold to a developer on May 1, 2003 for \$2,447,480 resulting in a net gain of \$85,760. Current tenants include Belvedere Banquets, Real Time Sports, and Country Inn & Suites (under construction).

## **Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to Christine Tromp, Director of Finance, Village of Elk Grove, 901 Wellington Avenue, Elk Grove Village, Illinois, 60007.

## VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## STATEMENT OF NET ASSETS

April 30, 2004

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Elk Grove Village Public Library
<b>ASSETS</b>				
Cash and investments	\$ 45,616,448	\$ 8,296,587	\$ 53,913,035	\$ 2,070,992
Receivables (net of allowances)				
Property taxes	5,936,099	-	5,936,099	1,895,993
Accounts	-	1,496,329	1,496,329	-
Accrued interest	49,324	18,099	67,423	-
Other	1,095,632	-	1,095,632	-
Prepaid items	236,797	4,502	241,299	6,031
Inventory	53,647	-	53,647	-
Due from other governments	5,289,521	-	5,289,521	-
Due from developers	-	79,048	79,048	-
Due from other funds	8,164	(8,164)	-	-
Due from fiduciary funds	443,817	-	443,817	-
Due from component units	554,533	-	554,533	-
Deposits with joint venture	-	853,917	853,917	-
Other assets	210,012	-	210,012	600
Capital assets				
Non-depreciable	32,082,925	1,856,369	33,939,294	75,679
Depreciable, net of accumulated depreciation	35,021,421	12,915,294	47,936,715	4,032,255
Unamortized bond issuance costs	80,956	-	80,956	-
Unamortized loss on refunding	141,026	-	141,026	-
Net pension asset	3,241,213	-	3,241,213	-
<b>Total assets</b>	<b>130,061,535</b>	<b>25,511,981</b>	<b>155,573,516</b>	<b>8,081,550</b>
<b>LIABILITIES</b>				
Accounts payable	2,028,862	572,524	2,601,386	132,281
Contracts and retainages payable	298,812	599	299,411	-
Accrued wages payable	602,112	29,310	631,422	32,075
Accrued interest payable	315,036	-	315,036	-
Deferred property tax revenue	10,236,893	-	10,236,893	3,225,076
Deferred other revenue	652,900	-	652,900	-
Due to primary government	-	-	-	48,929
Due to other governments	4,114	-	4,114	-
Refundable bonds	408,691	-	408,691	-
Deposits payable	-	67,371	67,371	-
Estimated liability for self-insured losses	774,405	239,816	1,014,221	-
Other liabilities	189,231	-	189,231	-
Noncurrent liabilities				
Due within one year	3,478,782	-	3,478,782	580,074
Due in more than one year	18,255,000	41,732	18,296,732	-
Unamortized bond premium	129,329	-	129,329	-
<b>Total liabilities</b>	<b>37,374,167</b>	<b>951,352</b>	<b>38,325,519</b>	<b>4,018,435</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	46,071,963	14,771,663	60,843,626	3,602,330
Restricted for				
Public safety	611,164	-	611,164	-
Highways and streets	1,613,523	-	1,613,523	-
Health services	262,004	-	262,004	-
Community services	251,432	-	251,432	-
Debt service	1,692,772	-	1,692,772	-
Net pension asset	3,241,213	-	3,241,213	-
Unrestricted	38,943,297	9,788,966	48,732,263	460,785
<b>TOTAL NET ASSETS</b>	<b>\$ 92,687,368</b>	<b>\$ 24,560,629</b>	<b>\$ 117,247,997</b>	<b>\$ 4,063,115</b>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2004

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 6,353,807	\$ 1,674,705	\$ 915,000	\$ -
Public safety	20,506,176	992,387	155,695	-
Highway and streets	11,795,537	928,183	987,806	2,548,227
Health services	1,300,937	51,543	962,183	-
Community services	327,246	-	68,792	-
Interest and fiscal charges	1,077,282	-	-	-
Total governmental activities	41,360,985	3,646,818	3,089,476	2,548,227
Business-Type Activities				
Waterworks and sewerage	8,608,588	7,725,149	-	-
Total business-type activities	8,608,588	7,725,149	-	-
TOTAL PRIMARY GOVERNMENT	\$ 49,969,573	\$ 11,371,967	\$ 3,089,476	\$ 2,548,227
COMPONENT UNIT				
Elk Grove Village Public Library	\$ 3,208,568	\$ 252,634	\$ 43,209	\$ -

	Net (Expense) Revenue and Change in Net Assets			
	Primary Government			Component
				Unit
	Governmental Activities	Business-Type Activities	Total	Elk Grove Village Public Library
	\$ (3,764,102)	\$ -	\$ (3,764,102)	\$ -
	(19,358,094)	-	(19,358,094)	-
	(7,331,321)	-	(7,331,321)	-
	(287,211)	-	(287,211)	-
	(258,454)	-	(258,454)	-
	(1,077,282)	-	(1,077,282)	-
	(32,076,464)	-	(32,076,464)	-
	-	(883,439)	(883,439)	-
	-	(883,439)	(883,439)	-
	(32,076,464)	(883,439)	(32,959,903)	-
	-	-	-	(2,912,725)
General Revenues				
Taxes				
Property	10,502,231	-	10,502,231	3,222,834
Sales	11,406,845	-	11,406,845	-
Use	338,428	-	338,428	-
Utility and telecommunications	3,187,806	-	3,187,806	-
Income	2,098,490	-	2,098,490	-
Hotel/motel	895,932	-	895,932	-
Food and beverage	631,797	-	631,797	-
Real estate transfer	1,187,754	-	1,187,754	-
Other	3,257	-	3,257	-
Investment income	696,110	39,617	735,727	16,743
Miscellaneous	618,809	19,154	637,963	-
Gain (loss) on sale of capital assets	5,891	(4,725)	1,166	-
Contributions	-	-	-	1,048
Total	31,573,350	54,046	31,627,396	3,240,625
CHANGE IN NET ASSETS	(503,114)	(829,393)	(1,332,507)	327,900
NET ASSETS, MAY 1	93,190,482	25,390,022	118,580,504	3,735,215
NET ASSETS, APRIL 30	\$ 92,687,368	\$ 24,560,629	\$ 117,247,997	\$ 4,063,115

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2004

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohlwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and investments	\$ 8,632,587	\$ 9,870,103	\$ 2,742,866	\$ 11,177,905	\$ -	\$ -	\$ 8,030,247	\$ 40,453,708
Receivables (net of allowances)								
Property taxes	3,614,214	-	1,705,048	-	-	-	616,837	5,936,099
Accrued interest	-	24,014	-	-	-	-	-	24,014
Other	678,579	-	-	3,022	-	-	414,031	1,095,632
Prepaid items	170,610	-	-	-	-	-	66,187	236,797
Inventory	53,647	-	-	-	-	-	-	53,647
Due from other governments	3,533,235	1,321,152	-	360,695	-	-	74,439	5,289,521
Due from other funds	719,470	30,866	78,394	9,900	370,150	2,733,567	499,482	4,441,829
Due from component unit	48,929	-	505,604	-	-	-	-	554,533
Other assets	210,012	-	-	-	-	-	-	210,012
Advances to other funds	8,597,983	-	-	-	-	-	-	8,597,983
<b>TOTAL ASSETS</b>	<b>\$ 26,259,266</b>	<b>\$ 11,246,135</b>	<b>\$ 5,031,912</b>	<b>\$ 11,551,522</b>	<b>\$ 370,150</b>	<b>\$ 2,733,567</b>	<b>\$ 9,701,223</b>	<b>\$ 66,893,775</b>

# LIABILITIES AND FUND BALANCES

## LIABILITIES

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohlwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
Accounts payable	\$ 518,531	\$ 412,894	\$ -	\$ 271,157	\$ -	-	\$ 826,280	\$ 2,028,862
Contracts and retainages payable	13,607	108,179	-	68,984	-	-	108,042	298,812
Accrued wages payable	595,996	3,214	-	-	-	-	2,902	602,112
Deferred property tax revenue	6,007,583	-	2,833,536	-	370,150	-	1,025,624	10,236,893
Deferred other revenue	147,296	-	505,604	-	-	-	-	652,900
Advances from other funds	-	-	-	-	5,658,707	2,939,276	-	8,597,983
Due to other funds	4,217,515	1,184	-	-	812	-	113,369	4,332,880
Due to other governments	4,114	-	-	-	-	-	-	4,114
Refundable bonds	408,691	-	-	-	-	-	-	408,691
Estimated liability for self-insured losses	774,405	-	-	-	-	-	-	774,405
Other liabilities	130,969	31,627	-	16,252	-	-	10,383	189,231
<b>Total liabilities</b>	<b>12,818,707</b>	<b>557,098</b>	<b>3,339,140</b>	<b>356,393</b>	<b>6,029,669</b>	<b>2,939,276</b>	<b>2,086,600</b>	<b>28,126,883</b>

## FUND BALANCES

Reserved for prepaid items	170,610	-	-	-	-	-	66,187	236,797
Reserved for inventory	53,647	-	-	-	-	-	-	53,647
Reserved for public safety	-	-	-	-	-	-	611,164	611,164
Reserved for highways and streets	-	-	-	-	-	-	1,613,523	1,613,523
Reserved for health services	-	-	-	-	-	-	262,004	262,004
Reserved for community services	-	-	-	-	-	-	251,432	251,432
Reserved for debt service	-	-	1,692,772	-	-	-	-	1,692,772
Reserved for advances	8,597,983	-	-	-	-	-	-	8,597,983
Unreserved, undesignated	-	-	-	-	-	-	-	-
General Fund	4,618,319	-	-	-	-	-	-	4,618,319
Special Revenue Funds	-	10,689,037	-	-	-	-	4,045,999	14,735,036
Capital Project Funds	-	-	-	11,195,129	(5,659,519)	(205,709)	764,314	6,094,215
<b>Total fund balances</b>	<b>13,440,559</b>	<b>10,689,037</b>	<b>1,692,772</b>	<b>11,195,129</b>	<b>(5,659,519)</b>	<b>(205,709)</b>	<b>7,614,623</b>	<b>38,766,892</b>

## TOTAL LIABILITIES AND FUND BALANCES

\$ 26,259,266	\$ 11,246,135	\$ 5,031,912	\$ 11,551,522	\$ 370,150	\$ 2,733,567	\$ 9,701,223	\$ 66,893,775
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See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

April 30, 2004

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 38,766,892
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	64,540,973
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(21,956,165)
The net assets of the internal service fund are included in the governmental activities in the statement of net assets	8,094,455
The net pension asset is not a current financial resource and is therefore not reported in the governmental funds	<u>3,241,213</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 92,687,368</u>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2004

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rohlfing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Taxes	\$ 21,240,733	\$ 1,832,746	\$ 2,410,687	\$ 712,112	\$ 839,381	\$ 46,335	\$ 1,196,954	\$ 28,278,948
Licenses and permits	2,081,155	-	-	-	-	-	121,149	2,202,304
Intergovernmental	2,814,330	2,002,737	502,939	-	-	-	1,905,504	7,225,510
Charges for services	362,056	-	-	-	-	-	791,516	1,153,572
Fines	775,111	-	-	-	-	-	19,549	794,660
Investment income	457,568	65,636	23,651	106,112	79	71	42,993	696,110
Miscellaneous	366,706	-	-	14,805	-	-	119,365	500,876
Total revenues	28,097,659	3,901,119	2,937,277	833,029	839,460	46,406	4,197,030	40,851,980
<b>EXPENDITURES</b>								
Current								
General government	3,304,872	-	-	-	-	-	2,658,924	5,963,796
Public safety	20,528,767	-	-	-	-	-	232,228	20,760,995
Highways and streets	4,950,242	2,786,664	-	-	-	-	1,798,603	9,535,509
Health services	363,481	-	-	-	-	-	938,160	1,301,641
Community services	103,214	-	-	-	-	-	225,385	328,599
Capital outlay	-	-	-	1,596,751	813	62,278	1,250,155	2,909,997
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	2,525,000	-	-	-	-	2,525,000
Interest and fiscal charges	-	-	761,255	-	328,667	-	-	1,089,922
Total expenditures	29,250,576	2,786,664	3,286,255	1,596,751	329,480	62,278	7,103,455	44,415,459
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,152,917)	1,114,455	(348,978)	(763,722)	509,980	(15,872)	(2,906,425)	(3,563,479)



OTHER FINANCING SOURCES (USES)

	General	Industrial/ Commercial Revitalization	Debt Service	Capital Projects	Grove Mall Redevelopment	Devon/ Rollwing Redevelopment	Nonmajor Governmental Funds	Total Governmental Funds
Transfers in	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000	\$ 6,400,000
Transfers (out)	(5,000,000)	(500,000)	-	-	-	-	(900,000)	(6,400,000)
Sale of capital assets	-	-	-	-	-	85,760	-	85,760
Bond issued	-	-	7,243,000	417,000	-	-	-	7,660,000
Premium on bonds issued	-	-	134,975	8,724	-	-	-	143,699
Payment to escrow agent	-	-	(7,296,107)	-	-	-	-	(7,296,107)
Total other financing sources (uses)	(4,100,000)	(500,000)	81,868	425,724	-	85,760	4,600,000	593,352
NET CHANGE IN FUND BALANCES	(5,252,917)	614,455	(267,110)	(337,998)	509,980	69,888	1,693,575	(2,970,127)
FUND BALANCES (DEFICIT), MAY 1	17,690,464	10,067,537	1,959,882	11,533,127	(6,169,499)	(275,597)	5,887,465	40,693,379
Prior period adjustment	1,003,012	7,045	-	-	-	-	33,583	1,043,640
FUND BALANCES (DEFICIT), MAY 1, RESTATED	18,693,476	10,074,582	1,959,882	11,533,127	(6,169,499)	(275,597)	5,921,048	41,737,019
FUND BALANCES (DEFICIT), APRIL 30	\$ 13,440,559	\$ 10,689,037	\$ 1,692,772	\$ 11,195,129	\$ (5,659,519)	\$ (205,709)	\$ 7,614,623	\$ 38,766,892

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2004

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NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (2,970,127)
Amounts reported for governmental activities in the statement activities are different because:	
Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the statement of activities	2,078,983
Gains (losses) on the disposal of capital assets is reported in the governmental activities	(79,869)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(7,803,699)
The repayment of long-term debt, including payment to escrow agents is reported as an expenditure/other financing use when due in governmental funds but as a reduction of principal outstanding in the statement of activities	9,821,107
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	80,245
Some expenses in the statement of activities (e.g. depreciation, compensated absences, accrued bond interest) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(1,625,405)
The change in net assets of certain activities of internal service funds is in governmental funds	<u>(4,349)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (503,114)</u>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS

April 30, 2004

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 8,296,587	\$ 5,162,740
Receivables		
Accounts	1,496,329	-
Accrued interest	18,099	25,310
Prepaid items	4,502	-
Due from other funds	3,290	343,032
Due from developers	79,048	-
Total current assets	9,897,855	5,531,082
<b>NONCURRENT ASSETS</b>		
Deposits with joint venture	853,917	-
<b>CAPITAL ASSETS</b>		
Non-depreciable	1,856,369	-
Depreciable, net of accumulated depreciation	12,915,294	2,563,373
Total capital assets	14,771,663	2,563,373
Total assets	25,523,435	8,094,455
<b>CURRENT LIABILITIES</b>		
Accounts payable	572,524	-
Contracts and retainages payable	599	-
Accrued wages	29,310	-
Due to other funds	11,454	-
Deposits payable	67,371	-
Total current liabilities	681,258	-
<b>NONCURRENT LIABILITIES</b>		
Accrued vacation liability	41,732	-
Estimated liability for self-insured losses	239,816	-
Total noncurrent liabilities	281,548	-
Total liabilities	962,806	-
<b>NET ASSETS</b>		
Invested in capital assets	14,771,663	2,563,373
Unrestricted	9,788,966	5,531,082
<b>TOTAL NET ASSETS</b>	<b>\$ 24,560,629</b>	<b>\$ 8,094,455</b>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2004

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
OPERATING REVENUES		
Charges for services	\$ 7,596,547	\$ 343,012
Late payment charges	128,602	-
Total operating revenues	7,725,149	343,012
OPERATING EXPENSES		
Administration	1,673,251	650
Water division	5,518,234	-
Sewer division	600,167	-
Storm sewer maintenance	191,746	-
Depreciation	625,190	361,262
Total operating expenses	8,608,588	361,912
OPERATING INCOME (LOSS)	(883,439)	(18,900)
NONOPERATING REVENUES (EXPENSES)		
Investment income	39,617	14,551
Miscellaneous	19,154	-
Gain (loss) on sale of capital assets	(4,725)	-
Total nonoperating revenues (expenses)	54,046	14,551
CHANGE IN NET ASSETS	(829,393)	(4,349)
NET ASSETS, MAY 1	25,390,022	8,098,804
NET ASSETS, APRIL 30	\$ 24,560,629	\$ 8,094,455

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2004

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 7,802,117	\$ -
Receipts from interfund service transactions	-	343,012
Receipts from miscellaneous revenues	19,154	-
Payments to suppliers	(5,754,401)	(650)
Payments to employees	(1,351,078)	-
Payments for interfund service transactions	(1,072,004)	-
Net cash from operating activities	(356,212)	342,362
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Due from other funds	(1,844)	(343,032)
Net cash from noncapital financing activities	(1,844)	(343,032)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	81,307	94,767
Purchase of investments	(1,000,000)	(500,000)
Net cash from investing activities	(918,693)	(405,233)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from the sale of capital assets	4,000	-
Purchase of capital assets	(530,875)	(141,477)
Net cash from capital and related financing activities	(526,875)	(141,477)

(This statement is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS

For the Year Ended April 30, 2004

	Business-Type Activities	Governmental Activities
	Enterprise	Internal Service
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (1,803,624)	\$ (547,380)
CASH AND CASH EQUIVALENTS, MAY 1	7,154,893	1,799,015
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 5,351,269</u>	<u>\$ 1,251,635</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (883,439)	\$ (18,900)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	625,190	361,262
Miscellaneous income	19,154	-
Changes in assets and liabilities		
Accounts receivable	98,980	-
Inventories	7,484	-
Prepaid items	(4,502)	-
Interfund payables for services	(93,430)	-
Accounts payable and retainages	203,616	-
Accrued salaries	(21,472)	-
Due to other governments	(360,527)	-
Estimated liability for self insurance	75,403	-
Compensated absences	(657)	-
Deposits	(22,012)	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (356,212)</u>	<u>\$ 342,362</u>
RECONCILIATION TO BALANCE SHEET		
Cash and cash equivalents	\$ 5,351,269	\$ 1,251,635
Investments	2,945,318	3,911,105
TOTAL CASH AND INVESTMENTS	<u>\$ 8,296,587</u>	<u>\$ 5,162,740</u>
NONCASH TRANSACTIONS		
Unrealized investment losses	<u>\$ (57,180)</u>	<u>\$ (90,455)</u>

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS  
PENSION TRUST FUNDS

April 30, 2004

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ASSETS

Cash and investments	
U.S. government and agency obligations	\$ 44,115,947
Insurance contracts	5,031,037
Municipal bonds	3,134,035
Equity securities	21,025,050
Money markets	6,223,793
Mutual Funds	1,363,633
Illinois Funds	<u>752,034</u>
Total cash and investments	<u>81,645,529</u>

Receivables	
Accrued interest	341,593
Due from General Fund	<u>165,825</u>
Total receivables	<u>507,418</u>

Total assets	<u>82,152,947</u>
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LIABILITIES

Due to General Fund	<u>609,642</u>
Total liabilities	<u>609,642</u>

NET ASSETS HELD IN TRUST FOR  
PENSION BENEFITS

\$ 81,543,305

See accompanying notes to financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PENSION TRUST FUNDS

For the Year Ended April 30, 2004

ADDITIONS

Contributions

Employer \$ 1,534,354

Participants 1,106,756

Total contributions 2,641,110

Investment income

Net appreciation (depreciation) in fair  
value of investments 3,357,125

Interest income 2,975,224

Less investment expenses (337,632)

Net investment income 5,994,717

Total additions 8,635,827

DEDUCTIONS

Administration 15,236

Pension benefits and refunds 3,434,625

Total deductions 3,449,861

NET INCREASE 5,185,966

NET ASSETS HELD IN TRUST  
FOR PENSION BENEFITS

May 1 76,357,339

April 30 \$ 81,543,305

See accompanying notes to financial statements.



# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2004

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Elk Grove Village, Illinois (the Village), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below:

#### a. Reporting Entity

The Village is a municipal corporation governed by an elected mayor and six-member board of trustees. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component unit. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

#### Discretely Presented Component Unit

The Elk Grove Village Public Library (the Library) column in the basic financial statements includes the financial data of the Village's Public Library. It is reported in a separate column to emphasize the Library is legally separate from the Village.

The Library operates and maintains the public library within the Village. The Library's board is elected by the voters of the Village. The Library may not issue bonded debt without the Village's approval, and its annual budget and property tax levy request are subject to the Village Board's approval. The Library is presented as a governmental fund type.

Separately issued financial statements for the Library can be obtained from the Library's administrative offices at 1001 Wellington Avenue, Elk Grove Village, Illinois 60007.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Joint Ventures

Northwest Suburban Municipal Joint Action Water Agency (JAWA) - JAWA is a municipal corporation empowered to construct and maintain a joint water supply system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. JAWA is reported as an equity proprietary joint venture in the Waterworks and Sewerage Fund.

Solid Waste Agency of Northern Cook County (SWANCC) - SWANCC is a municipal corporation empowered to plan, finance, construct and operate a solid waste disposal system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of SWANCC other than representation on the Board of Directors. SWANCC is reported as a nonequity governmental joint venture.

b. Fund Accounting

The Village uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village and is used to account for all financial resources of the Village unless required to be accounted for in another fund.

The Industrial/Commercial Revitalization Fund is used to account for the Village's industrial and commercial revitalization activities, financed by a tax assessed on telecommunication services.

The Debt Service Fund is used to account for the payment of principal and interest on outstanding general obligation bonds funded by annual tax levies.

The Capital Projects Fund is used to account for the purchase, maintenance, or construction of major capital projects in the Village, financed by federal and state grants and proceeds of general obligation bonds.

The Grove Mall Redevelopment Fund is used to account for the redevelopment costs associated with the Grove Mall property.

The Devon/Rohlwing Redevelopment Fund is used to account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center Property.

The Village reports the following major enterprise funds:

The Waterworks and Sewerage Fund accounts for the provision of water and sewer services to the residents and businesses of the Village financed by user fees.

Additionally, the Village reports the following internal service fund:

The Capital Replacement Fund is used to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of at least five (5) years, financed by charges to the general fund. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighter's Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes which use a 90 day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

The Village reports deferred revenue on its financial statements. Deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and cash equivalents

For purposes of the statement of cash flows, the Village's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. All other investments, including all investments of the pension trust funds, are reported at fair value at April 30. Investments in the Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Village's fair value of the pool.

Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold for.

f. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as "due from other funds" or "due to other funds" on the financial statements.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Capital Assets

Capital assets, which include property, plant, equipment and retroactively reported infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40-50 years
Machinery and equipment	10-20 years
Licensed vehicles	6-12 years
Underground water and sewer lines/infrastructure	40-60 years

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences - Accrued Vacation Liability

Vested or accumulated vacation leave related to employees that have retired or terminated at year end but are not yet paid out is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested and accumulated vacation leave of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" at retirement.

k. Refundable Bonds

Refundable bonds are accounted for in the General Fund. These bonds are cash deposits made by contractors or developers to the Village as security to ensure all construction activities on public right of ways authorized by building permits are completed in accordance with Village requirements.

l. Claims and Judgments

Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with GASB Statement Nos. 10 and 30.

m. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt is the book value of the capital assets, net of any debt outstanding that was issued to construct or acquire the capital assets.

o. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses in the effected funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

p. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account in the fund financial statements which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

2. DEPOSITS AND INVESTMENTS

The Village maintains separate cash accounts for each fund. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

State statutes and the Village's investment policy authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the United States treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios consisting entirely of securities issued or guaranteed by the United States government, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, guaranteed investment contracts and the Illinois Funds. The Village's two pension funds can also invest in certain non-U.S. obligations, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company separate accounts, mutual funds and equity securities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits

At year-end the carrying amount of the Village's deposits totaled \$8,635,167 and the bank balances totaled \$9,147,467. All bank balances for deposits held at the balance sheet date were covered by federal depository insurance or collateralized with securities held by the Village or its agent in the Village's name.

For pension trust funds, the types of deposits authorized and the mix of credit risk categories do not differ significantly from the other funds of the Village.

The Village's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

Category 1 includes investments that are insured (SIPC and/or excess SIPC) or registered or for which the securities are held by the Village, or its agent, in the Village's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department, or its agents, in the Village's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or its trust department or agent but not in the Village's name.

	Category			
	1	2	3	Totals
U.S. Government and Agency Securities	\$ 57,402,542	\$ -	\$ -	\$ 57,402,542
Municipal Bonds	3,134,035	-	-	3,134,035
Equity Securities	21,025,050	-	-	21,025,050
	<u>\$ 81,561,627</u>	<u>\$ -</u>	<u>\$ -</u>	<u>81,561,627</u>
* Insurance Contracts				5,031,037
* Mutual Funds				23,853,934
* Money Market Mutual Funds				6,272,806
* Illinois Metropolitan Investment Fund				234,915
* Illinois Funds				<u>9,962,085</u>
TOTAL INVESTMENTS				<u>\$ 126,916,404</u>

\* Not subject to risk categorization

The pension trust funds own approximately 64.31% of the investments in Category 1.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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3. RECEIVABLES

Property Taxes

The Village is a home-rule community under the 1970 Illinois Constitution and, accordingly, does not have a statutory property tax rate limit.

The Village's property tax is levied each calendar year on all taxable real property located in the Village. The Village must file its tax levy ordinance for the year on or before the last Tuesday in December of each year. Taxes levied in one year become due and payable in two installments, on March 1 and September 1 of the following year. The first installment is an estimated bill equal to one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year are reflected in the second installment bill. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

For governmental funds, property taxes collected, which are used to finance the current year's operations, are recognized as revenue. Property taxes collected and uncollected, which are to be used to finance the subsequent year's operations, are reported as net taxes receivable and deferred revenue. The 2004 tax levy, which attached as an enforceable lien on property as of January 1, 2004, has not been recorded as a receivable as of April 30, 2004 as the tax has not yet been levied by the Village and will not be levied until December 2004, and, therefore, the levy is not measurable at April 30, 2004.

Based upon collection histories, the Village has provided an allowance for uncollectible property taxes equivalent to 1% of the current year's levy. All uncollected taxes relating to prior years' levies have been written off.

Due from Other Governments

Due from other governments consist of the following receivables at April 30, 2004:

GOVERNMENTAL ACTIVITIES

Sales tax	\$ 1,868,898
Home rule sales tax	1,155,483
Income tax	183,587
Local use tax	87,683
Auto rental tax	671
Motor fuel tax	74,439
Simplified telecommunications tax	621,283
Court fines	76,072
Due from granting agencies	1,218,762
Other state sources	<u>2,643</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 5,289,521</u>
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VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 4,816,828	\$ -	\$ -	\$ 4,816,828
Land right of way	27,226,882	39,215	-	27,266,097
Total capital assets not being depreciated	32,043,710	39,215	-	32,082,925
Capital assets being depreciated				
Buildings and improvements	27,212,325	750,412	-	27,962,737
Vehicles	5,291,409	95,383	-	5,386,792
Equipment	3,445,353	138,853	-	3,584,206
Infrastructure	40,854,090	1,196,596	212,986	41,837,700
Total capital assets being depreciated	76,803,177	2,181,244	212,986	78,771,435
Less accumulated depreciation for				
Buildings and improvements	10,608,937	682,091	-	11,291,028
Vehicles	1,973,472	474,277	-	2,447,749
Equipment	2,396,353	169,974	-	2,566,327
Infrastructure	26,739,628	838,399	133,117	27,444,910
Total accumulated depreciation	41,718,390	2,164,741	133,117	43,750,014
Total capital assets being depreciated, net	35,084,787	16,503	79,869	35,021,421
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 67,128,497</b>	<b>\$ 55,718</b>	<b>\$ 79,869</b>	<b>\$ 67,104,346</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 1,856,369	\$ -	\$ -	\$ 1,856,369
Total capital assets not being depreciated	1,856,369	-	-	1,856,369
Capital assets being depreciated				
Land improvements	192,622	-	-	192,622
Buildings	4,469,748	96,303	-	4,566,051
Machinery and equipment	2,213,335	192,102	-	2,405,437
Licensed vehicles	908,410	46,080	38,205	916,285
Underground water and sewer lines	12,755,939	196,390	-	12,952,329
Total capital assets being depreciated	20,540,054	530,875	38,205	21,032,724

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
Less accumulated depreciation for				
Land improvements	\$ 124,429	\$ 7,868	\$ -	\$ 132,297
Buildings	2,879,850	126,992	-	3,006,842
Machinery and equipment	1,128,134	128,434	-	1,256,568
Licensed vehicles	515,547	91,123	29,480	577,190
Underground water and sewer lines	2,873,760	270,773	-	3,144,533
Total accumulated depreciation	7,521,720	625,190	29,480	8,117,430
Total capital assets being depreciated, net	13,018,334	(94,315)	8,725	12,915,294
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 14,874,703	\$ (94,315)	\$ 8,725	\$ 14,771,663

Depreciation expense was charged to the governmental activities functions/programs as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 64,581
Public safety	663,764
Highways and streets, including depreciation of general infrastructure assets	1,436,396

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 2,164,741

5. RISK MANAGEMENT

Self-Insurance Program

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first \$50,000 for property claims, \$50,000 per employee for medical claims, \$50,000 for errors and omissions and \$250,000 for workers' compensation claims (a decrease from \$350,000 from the previous year). Commercial insurance is carried for amounts in excess of the self-insured amounts. There have been no significant reductions in insurance coverage during the current year. For all insured programs, settlement amounts have not exceeded insurance coverage for the current or two prior years. The Village's self-insurance activities are reported in the General, Waterworks and Sewerage and Industrial/Commercial Revitalization Funds.

Premiums are paid by the General, Industrial/Revitalization and Waterworks and Sewerage funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

Self-Insurance Program (Continued)

A reconciliation of claims liability for the current year and that of the preceding year is reported below.

	Liability	Workers' Compensation	Medical	Total
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2002	\$ 75,818	\$ 536,969	\$ 337,438	\$ 950,225
Claims incurred - current year	44,152	138,554	1,511,363	1,694,069
Claims paid/adjustments - current year	(40,534)	(334,636)	(1,504,635)	(1,879,805)
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2003	79,436	340,887	344,166	764,489
Claims incurred - current year	53,226	508,427	1,728,834	2,290,487
Claims paid/adjustments - current year	(117,677)	(270,405)	(1,652,673)	(2,040,755)
UNPAID CLAIMS LIABILITY -				
APRIL 30, 2004	\$ 14,985	\$ 578,909	\$ 420,327	\$ 1,014,221

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP). HELP is an insurance pool consisting of fifteen municipalities in Illinois to provide excess liability coverage in the amount of \$3,000,000 per occurrence and in the aggregate for each member after a \$1,000,000 per member self-insurance retention. In addition, HELP provides excess insurance of \$8,000,000 per occurrence for claims in excess of \$4,000,000. The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP was organized on April 1, 1987 with the initial agreement extending to April 30, 2008. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions and employers' liability made against the members and other parties included within the scope of its coverage.

HELP is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of HELP are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding and the changes in the general long-term debt account group for the year are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Current Portion
\$10,000,000 General Obligation Bonds dated October 15, 1993 due in annual installments of \$40,000 to \$1,545,000, plus fixed interest at 2.75% to 5.00% through December 1, 2012.	Debt Service	\$ 7,210,000	\$ -	\$ 7,210,000	\$ -	\$ -
\$3,375,000 General Obligation Bonds dated March 15, 2001 due in annual installments of \$285,000 to \$905,000, plus fixed interest at 4.00% through December 1, 2006.	Debt Service	1,865,000	-	630,000	1,235,000	655,000
\$5,800,000 General Obligation Bonds dated March 15, 2002 due in annual installments of \$530,000 to \$1,710,000, plus fixed interest at 1.70% to 3.10% through December 1, 2006.	Debt Service	4,160,000	-	1,710,000	2,450,000	1,405,000
\$9,580,000 General Obligation Bonds dated April 1, 2003 due in annual installments of \$610,000 to \$905,000, plus fixed interest at 2.25% to 5.50% through January 1, 2018.	Debt Service	9,580,000	-	-	9,580,000	-
\$7,660,000 General Obligation Refunding Bonds dated September 1, 2003 due in annual installments of \$115,000 to \$1,605,000, plus fixed interest at 2.50% to 4.25% through December 1, 2012.	Debt Service	-	7,660,000	115,000	7,545,000	495,000
TOTAL GENERAL OBLIGATION BONDS		\$22,815,000	\$ 7,660,000	\$ 9,665,000	\$20,810,000	\$ 2,555,000

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30	Principal	Interest	Total
2005	\$ 2,555,000	\$ 756,086	\$ 3,311,086
2006	2,115,000	680,614	2,795,614
2007	2,175,000	621,424	2,796,424
2008	2,245,000	558,663	2,803,663
2009	1,410,000	491,313	1,901,313
2010	1,450,000	445,488	1,895,488
2011	1,505,000	394,738	1,899,738
2012	1,565,000	334,538	1,899,538
2013	1,625,000	271,938	1,896,938
2014	795,000	204,775	999,775
2015	825,000	172,975	997,975
2016	860,000	139,975	999,975
2017	905,000	92,675	997,675
2018	780,000	42,897	822,897
TOTAL	\$ 20,810,000	\$ 5,208,099	\$ 26,018,099

c. Other Long-Term Liabilities

Changes in other long-term liabilities reported in the governmental activities is as follows:

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Compensated absences payable	\$ 1,002,982	\$ -	\$ 79,200	\$ 923,782	\$ 923,782

d. Advance Refunding

On September 1, 2003, the Village issued \$7,660,000 General Obligation Refunding Bonds, Series 2003B, the proceeds of which were used to advance refund \$7,210,000 of the General Obligation Bonds, Series 1993, which were called and paid on December 1, 2003. As a result of the refunding, the Village achieved a cash flow savings of \$19,547 and an economic gain of \$20,096. However, the refunded resulted in an accounting loss of \$156,696 which is capitalized in the governmental activities on the statement of net assets and is being amortized through 2012.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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6. LONG-TERM DEBT (Continued)

e. Conduit Debt

The Village has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of April 30, 2004, there were 33 series of IDRBs which were issued and may be outstanding. The aggregate principal amount payable for the bonds could not be determined; however, the original issue amounts of the bonds totaled \$63,025,000.

7. INTERFUND TRANSACTIONS

Due from/to other funds at April 30, 2004 consists of the following:

	Due From	Due To
General		
Capital Projects	\$ -	\$ 9,900
Industrial/Commercial	1,184	30,866
Grove Mall Redevelopment	812	370,150
Devon/Rohlwing Redevelopment	-	2,733,567
Debt Service	-	78,394
Water	11,454	3,290
Nonmajor Governmental	96,378	499,482
Internal Service	-	326,041
Fiduciary	609,642	165,825
Capital Projects		
General	9,900	-
Industrial/Commercial		
General	30,866	1,184
Grove Mall Redevelopment		
General	370,150	812
Devon/Rohlwing Redevelopment		
General	2,733,567	-
Debt Service		
General	78,394	-

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND TRANSACTIONS (Continued)

	Due From	Due To
Water		
General	\$ 3,290	\$ 11,454
Nonmajor Governmental		
General	499,482	96,378
Internal Service	-	16,991
Internal Service		
General	326,041	-
Nonmajor Governmental	16,991	-
Fiduciary		
General	165,825	609,642
TOTAL	\$ 4,953,976	\$ 4,953,976

The purpose of significant due from/to other funds is as follows:

- \$499,482 due to the Nonmajor Governmental Fund (IMRF) from the General Fund for actual expenditure for IMRF benefits greater than the actual taxes received for this purpose.
- \$326,041 due to the Internal Service Fund (Capital Replacement Fund) from the General Fund for the annual repayment to the Capital Replacement Fund.
- \$2,733,567 due to the Grove Mall Replacement Fund by the General Fund for repayment proceeds from the sale of a parcel of land belonging to the TIF.
- \$609,642 due to the General Fund is composed of \$294,404 and \$315,238 from Fire and Police Pension, respectively. This amount represents monies received before year end for the 2003 tax levy. The General Fund owes the Fiduciary Funds \$165,825 for member contributions to the pension funds.
- \$370,150 due from the General Fund to the Grove Mall Development Fund is for the 2003 property taxes levied by the TIF.

Advance From	Advance To	Amount
General	Grove Mall Redevelopment	\$ 5,658,706
General	Devon/Rohling Redevelopment	2,939,276
TOTAL		\$ 8,597,982

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND TRANSACTIONS (Continued)

The purpose of significant advances from/to other funds is as follows:

- \$8,597,982 represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

Individual fund transfers are as follows:

	Transfers In	Transfers Out
General		
Nonmajor Governmental	\$ 900,000	\$ 5,000,000
Industrial/Commercial		
Nonmajor Governmental	-	500,000
Nonmajor Governmental		
General	5,000,000	900,000
Industrial/Commercial	500,000	-
TOTAL	\$ 6,400,000	\$ 6,400,000

Interfund transfers during the year ended April 30, 2004 consisted of the following:

- Board approved transfer of \$5,000,000 from the General Fund to the Legal Defense Fund for the defense against the airport expansion.
- Board approved transfer of \$600,000 from the Recycling/Municipal Waste Fund to the General Fund as equity transfer.
- Board approved transfer of \$300,000 from the Residential Enhancement Fund to the General Fund as equity transfer.
- Board approved transfer of \$500,000 from the Industrial/Revitalization Fund to replenish the Legal Defense Fund.

Deficit Fund Balance

The Illinois Municipal Retirement Fund had a deficit fund balance of \$20,108 as of April 30, 2004. The Village intends to fund this deficit through future tax revenues. The Emergency Management Fund has a deficit fund balance of \$985 as of April 30, 2004. The Village intends to fund this deficit through future tax revenues. The Grove Mall Redevelopment Fund had a deficit balance of \$5,659,519. The Village funds this deficit through annual incremental property taxes. The Devon/Rohlwing Redevelopment Fund had a deficit balance of \$205,709. The Village funds this deficit through annual incremental property taxes.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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8. COMMITMENTS

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village has committed to purchase water from JAWA. The Village expects to pay the following payments to JAWA:

<u>Fiscal Year Ending April 30</u>	<u>Amount</u>
2005	\$ 2,022,202
2006	2,021,888
2007	2,022,497
2008	2,022,497
2009	2,022,497
2010-2016	<u>15,487,233</u>
TOTAL	<u>\$ 25,598,814</u>

These amounts have been calculated using the Village's current water allocation percentage of 19.44%. In future years, this allocation percentage will be subject to change.

The Village has committed to make payments to SWANCC for solid waste refuse disposal, and expects to pay the following amounts:

<u>Fiscal Year Ending April 30</u>	<u>Amount</u>
2005	\$ 357,959
2006	357,844
2007	357,844
2008	357,844
2009	357,844
2010-2015	<u>2,504,235</u>
TOTAL	<u>\$ 4,293,570</u>

This amount has been calculated using the Village's current allocation percentage of 5.78%. In future years, this allocation percentage will be subject to change.

9. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village's attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. High-Level Excess Liability Pool (HELP)

The Village's agreement with HELP provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village's water purchase contract with JAWA provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

e. Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with SWANCC provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

f. Redevelopment Agreement

The Village entered into a redevelopment agreement with a developer to redevelop certain parcels in the Devon/Rohlwing redevelopment area. The redevelopment agreement requires the Village to issue a note(s) payable to reimburse the developer for eligible redevelopment costs incurred by the developer, up to \$4,250,000, once evidence of costs incurred have been provided to and approved by the Village. A liability has not been recorded for the note(s) as of April 30, 2004, as eligible redevelopment costs have not been submitted to nor approved by the Village.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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9. CONTINGENT LIABILITIES (Continued)

g. Infrastructure Maintenance Fee

Effective January 1, 1998, the Village imposed a municipal telecommunications infrastructure maintenance fee (IMF) on persons in the business of transmitting, supplying, or furnishing telecommunications and all associated services (e.g., telecommunications retailers) in Illinois for the "use of public right-of-ways". The fee was authorized by state statute (35 ILCS 635). In March 2001, a wireless telecommunications provider brought action against an Illinois government challenging the constitutionality of the municipal telecommunications infrastructure maintenance fee. The Illinois Supreme Court (Court) found the IMF to be unconstitutional as applied to wireless carriers. The Court's decision held upon appeal. The municipal IMF fee was eliminated effective December 31, 2002. Potential damages to the Village under this case precedent could aggregate the total of amounts remitted to the Village for IMF by all carriers during the period from January 1, 1998 through December 31, 2002. The Village has not accrued liability for this at April 30, 2004.

10. JOINT VENTURES

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA)

Description of Joint Venture

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). JAWA is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchases.

The seven members of JAWA and their percentage shares as of April 30, 2004, are as follows:

	Percent Share
Village of Elk Grove Village	18.9%
Village of Hanover Park	9.1
Village of Hoffman Estates	15.1
Village of Mount Prospect	12.7
City of Rolling Meadows	8.5
Village of Schaumburg	26.3
Village of Streamwood	9.4
TOTAL	100.0%

10. JOINT VENTURES (Continued)

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA) (Continued)

Description of Joint Venture (Continued)

This percentage shares are based on a formula contained in the Water Supply Agreement and are subject to change in future years based on consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the agency agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts for sale or purchase of water, adopts resolutions providing for the issuance of Bonds or Notes by JAWA, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws. JAWA started delivering water to the member municipalities in fiscal 1986.

Summary Financial Information of Joint Venture

Complete financial statements for JAWA can be obtained from the agency's administrative office at 903 Brantwood, Elk Grove Village, Illinois 60007.

JAWA covenants to establish fees and charges sufficient to provide revenue to meet all its requirements.

JAWA has entered into Water Supply Agreements with the seven member municipalities for a term of 40 years, extending to December 31, 2022. The agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this agreement.

10. JOINT VENTURES (Continued)

a. Northwest Suburban Municipal Joint Action Water Agency (JAWA) (Continued)

Summary Financial Information of Joint Venture (Continued)

The obligation of the Village to make payments required by this agreement from revenues of the Village's Waterworks and Sewerage System shall be payable from the other services and charges account for the Village's Waterworks and Sewerage Fund and from all other accounts of the Village's Waterworks and Sewerage Fund in which there are available funds.

In accordance with the joint venture agreement, the Village remitted \$4,628,628 to JAWA in 2004. The Village's equity interest in JAWA was \$0 at April 30, 2004.

In previous years, the Village, in accordance with APB 18, employed the equity method of accounting for this joint venture. At April 30, 1991, JAWA had a negative retained earnings balance; therefore, as specified by APB 18, the Village's investment in joint venture in the Waterworks and Sewerage Fund has been reduced to zero and the equity method of accounting has been suspended until such time as the joint venture returns to a positive equity position.

b. Solid Waste Agency of Northern Cook County (SWANCC)

Description of Joint Venture

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC), which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

The members form a contiguous geographic service area which is located northwest of downtown Chicago. Under the agency agreement, additional members may join SWANCC upon the approval of each member.

SWANCC is governed by a Board of Directors which consists of the Mayor or President from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of the agency, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of Bonds or Notes by SWANCC, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.



10. JOINT VENTURES (Continued)

b. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

Description of Joint Venture (Continued)

The Executive Committee of SWANCC consists of seven members elected by the Board of Directors. Each member is entitled to one vote on the Executive Committee. The Executive Committee may take any action not specifically reserved to the Board of Directors by the Act, SWANCC agreement or the by-laws.

Summary Financial Information of Joint Venture

Complete financial statements for SWANCC can be obtained from the agency's administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by the agency's resolutions. The Bonds are not a debt of any member. SWANCC has no power to levy taxes.

Revenues of the system consist of (1) all receipts derived from Solid Waste Disposal Contracts or any other contract for the disposal of waste; (2) all income derived from the investment of moneys; and (3) all income, fees, service charges and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenue to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided in the contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this contract.

The payments required to be made by the Village under this contract are required to be made solely from revenues to be derived by the Village from the operation of the Village's Recycling and Municipal Waste System. The Village is not prohibited by the contract from using any other available funds to make the payments required by the contract. The contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

10. JOINT VENTURES (Continued)

b. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

Summary Financial Information of Joint Venture (Continued)

In accordance with the joint venture agreement, the Village remitted \$875,923 to SWANCC in 2004, which is recorded in the Village's Recycling/Municipal Waste System Fund.

11. POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits described, the Village provides post-employment health care and life insurance benefits, in accordance with the personnel policy, to all employees who reach normal retirement age while working for the Village or who meet COBRA requirements. Currently, 50 prior employees meet those eligibility requirements. The retiree pays an annual premium which is equal to the actuarially determined cost for each plan year. Accordingly, no liability has been recorded for post-employment health care benefits. During the year, no expenditures were recognized for post-employment benefits, as the prior employee reimburses 100% of the cost.

12. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighter's Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police or Firefighter's pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the previous calendar year ended 2003 was 6.42% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. At April 30, 2004, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	37
Current employees	
Vested	73
Nonvested	21
	<hr/>
TOTAL	131

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service costs for the Police Pension Plan. For the year ended April 30, 2004, the Village's contribution was 12.55% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. At April 30, 2004, the Firefighter's Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	53
Current employees	
Vested	54
Nonvested	35
	<hr/>
TOTAL	142

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75.00% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and upon reaching the age of at least 55 by 3.00% of the original pension and 3.00% compounded annually thereafter.

Covered employees are required to contribute 8.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2004, the Village's contribution was 13.48% of covered payroll.

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for either the Police or the Firefighters' Pension Plans. Information for the IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial valuation date	December 31, 2001	April 30, 2003	April 30, 2003
Actuarial cost method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	3 Year Average Market Value	3 Year Average Market Value
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Amortization period	10 Years, Closed	30 Years, Closed	30 Years, Closed
Significant actuarial assumptions			
a) Rate of return on present and future assets	7.50% Compounded Annually	8.00% Compounded Annually	8.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.00% Compounded Annually	5.00% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40 to 11.60%	Not Available	Not Available

Employer annual pension costs (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	For Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual pension cost (APC)	2002	\$ 638,513	\$ 491,526	\$ 465,815
	2003	517,984	600,181	569,842
	2004	528,607	689,906	718,621
Actual contribution	2002	\$ 638,513	\$ 548,865	\$ 430,865
	2003	517,984	667,121	624,928
	2004	528,607	762,622	771,732
Percentage of APC contributed	2002	100.0%	111.7%	92.5%
	2003	100.0	111.2	109.7
	2004	100.0	110.5	107.4
NPO (asset)	2002	\$ -	(1,840,074)	(1,153,286)
	2003	-	(1,907,014)	(1,208,372)
	2004	-	(1,979,730)	(1,261,483)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Annual Pension Costs (Continued)

The NPO (asset) has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 746,961	\$ 754,774
Interest on net pension obligation	(152,561)	(96,670)
Adjustment to annual required contributions	95,506	60,517
Annual pension cost	689,906	718,621
Contributions made	762,622	771,732
Increase (decrease) in net pension obligation (asset)	(72,716)	(53,111)
Net pension obligation (asset) beginning of year	(1,907,014)	(1,208,372)
Net pension obligation (asset) end of year	<u>\$ (1,979,730)</u>	<u>\$ (1,261,483)</u>

13. PRIOR PERIOD ADJUSTMENTS

The Village has restated fund balances as of May 1, 2003 to implement GASB Interpretation No. 6 as follows:

	General Fund	Industrial/ Commercial Revitalization	Nonmajor Governmental
FUND BALANCE - MAY 1 (AS PREVIOUSLY REPORTED)	\$ 17,690,464	\$ 10,067,537	\$ 5,611,868
Restated for: GASB I-6	1,003,012	7,045	33,583
Subtotal restatements	1,003,012	7,045	33,583
FUND BALANCE, MAY 1, RESTATED	<u>\$ 18,693,476</u>	<u>\$ 10,074,582</u>	<u>\$ 5,645,451</u>

In addition, net assets have been restated as of May 1, 2003, for the implementation of Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments*, Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures*.

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY

The financial statements of the Elk Grove Village Public Library (the Library) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Library's accounting policies are described below.

a. Fund Accounting

The Library uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Library's general fund is classified as a governmental fund.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is the general operating fund of the Library and accounts for all of the Library's operating activities.

b. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Library. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.



14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Library reports deferred and/or unearned revenue on its financial statements. Deferred/unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" or "earned" criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Library has a legal claim to the resources, the liability for deferred/unearned revenue is removed and revenue is recognized.

d. Investments

Investments with a maturity greater than one year when purchased are stated at fair value at April 30, 2004. Securities traded on national exchanges are at the last reported sale price. Investments with a maturity of one year or less when purchased are reported at cost or amortized cost.

e. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items.

f. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

f. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	10-15
Buildings	5-50
Machinery and equipment	5-20

g. Vacation Benefits

Vested or accumulated vacation and sick leave of governmental activities at the entity-wide level is recorded as an expense and liability as the benefits accrue to employees.

h. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities column. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

i. Fund Equity/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt is the book value of the Library's capital assets, net of any debt outstanding that was issued to construct or acquire the capital assets.

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

j. Deposits and Investments

State statutes allow the Library to purchase certain obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit and time deposits covered by Federal Depository Insurance, commercial paper of U.S. corporations with assets exceeding \$500,000,000, money market mutual funds, repurchase agreements of governmental securities having the meaning set forth by the Government Securities Act of 1986 and to participate in the Illinois Funds.

At year end, the Library's demand deposits had a carrying amount of \$33,117 and a bank balances of \$98,162. All bank balances of deposits were covered by federal depository insurance or collateralized with securities held by the Library's agent in the Library's name.

The Library invests in the Illinois Funds. The Library's investment in the Illinois Funds at year end had a carrying amount and market value of \$2,037,475. The Illinois Funds is not subject to risk categorization.

k. Property Taxes

Property taxes for 2003 attach as an enforceable lien on January 1, 2003, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance). Taxes levied in one year become due and payable in two installments, on or about March 1 or June 1 and September 1 of the following year.

Property taxes collected which are used to finance the current year's operations are recognized as revenue. Property taxes collected which are used to finance the subsequent year's operations, and net taxes receivable are reported as deferred revenue. The 2004 tax levy, which attached as an enforceable lien on property as of January 1, 2004, has not been recorded as a receivable as of April 30, 2004 as the tax has not yet been levied by the Library and will not be levied until December 2004, and, therefore, the levy is not measurable at April 30, 2004.

Based upon collection histories, the Library has provided an allowance for uncollectible property taxes equivalent to 1% of the current year's levy. All uncollected taxes related to prior years' levies have been written off.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

1. Capital Assets

The following is a summary of capital asset activity during the fiscal year:

	Balances May 1	Additions	Retirements	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 75,679	\$ -	\$ -	\$ 75,679
Total capital assets not being depreciated	75,679	-	-	75,679
Capital assets being depreciated				
Land improvements	206,320	-	-	206,320
Buildings	5,400,614	-	-	5,400,614
Machinery and equipment	1,215,345	-	-	1,215,345
Total capital assets being depreciated	6,822,279	-	-	6,822,279
Less accumulated depreciation for				
Land improvements	189,921	8,200	-	198,121
Buildings	1,458,732	125,870	-	1,584,602
Machinery and equipment	970,737	36,564	-	1,007,301
Total accumulated depreciation	2,619,390	170,634	-	2,790,024
Total capital assets being depreciated, net	4,202,889	(170,634)	-	4,032,255
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,278,568	\$ (170,634)	\$ -	\$ 4,107,934

All of the depreciation expense in the statement of activities was charged to the operations function.

m. Long-Term Financing from Primary Government

In 1989, the Village issued bonds to construct a new library facility for the Library. The agreement between the Village and the Library requires the Library to make annual payments to the Village of approximately \$500,000 per year to repay the Village for the bonds.

Annual payments to the Village for repayment of long-term debt are as follows:

Year	Library Facility
2005	\$ 505,604

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (Continued)

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14. COMPONENT UNIT - ELK GROVE VILLAGE PUBLIC LIBRARY (Continued)

n. Changes in Long-Term Debt

During the year ended April 30, 2004, the following changes occurred in long-term liabilities reported in the governmental activities:

	Balance May 1	Additions	Deletions	Balance April 30	Current Portion
Compensated absences	\$ 65,899	\$ 8,571	\$ -	\$ 74,470	\$ 74,470
Financing agreement with the Village	1,008,543	-	502,939	505,604	505,604
TOTAL	\$ 1,074,442	\$ 8,571	\$ 502,939	\$ 580,074	\$ 580,074

## **REQUIRED SUPPLEMENTARY INFORMATION**



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>				
Taxes	\$ 19,265,820	\$ 19,265,820	\$ 21,240,733	\$ 1,974,913
Licenses and permits	1,887,058	1,887,058	2,081,155	194,097
Intergovernmental	2,535,273	2,535,273	2,814,330	279,057
Charges for services	337,715	337,715	362,056	24,341
Fines	785,106	785,106	775,111	(9,995)
Investment income	256,112	256,112	457,568	201,456
Miscellaneous	439,895	439,895	366,706	(73,189)
Total revenues	25,506,979	25,506,979	28,097,659	2,590,680
<b>EXPENDITURES</b>				
General government	6,246,416	3,508,127	3,304,872	(203,255)
Public safety	16,683,831	19,437,756	20,528,767	1,091,011
Highways and streets	4,795,830	5,440,828	4,950,242	(490,586)
Health services	332,043	406,085	363,481	(42,604)
Community services	85,380	87,679	103,214	15,535
Total expenditures	28,143,500	28,880,475	29,250,576	370,101
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,636,521)	(3,373,496)	(1,152,917)	2,220,579
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	900,000	900,000
Transfers (out)	-	-	(5,000,000)	5,000,000
Total other financing sources (uses)	-	-	(4,100,000)	4,100,000
NET CHANGE IN FUND BALANCE	\$ (2,636,521)	\$ (3,373,496)	(5,252,917)	\$ 1,879,421
FUND BALANCE, MAY 1			17,690,464	
Prior period adjustment			1,003,012	
FUND BALANCE, MAY 1, RESTATED			18,693,476	
FUND BALANCE, APRIL 30			\$ 13,440,559	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
INDUSTRIAL/COMMERCIAL REVITALIZATION FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>				
Taxes	\$ 1,805,200	\$ 1,805,200	\$ 1,832,746	\$ 27,546
Intergovernmental	-	-	2,002,737	2,002,737
Investment income	398,520	398,520	65,636	(332,884)
Total revenues	2,203,720	2,203,720	3,901,119	1,697,399
<b>EXPENDITURES</b>				
Highways and streets				
Personal services	234,094	234,094	205,104	(28,990)
Supplies	2,250	2,250	1,464	(786)
Communications	2,430	2,828	1,644	(1,184)
Professional development	1,400	1,325	298	(1,027)
Maintenance service	106,757	106,757	76,596	(30,161)
Other charges	480,150	479,827	182,064	(297,763)
Capital outlay	8,998,175	10,630,315	2,319,494	(8,310,821)
Total expenditures	9,825,256	11,457,396	2,786,664	(8,670,732)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,621,536)	(9,253,676)	1,114,455	10,368,131
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	(500,000)	(500,000)	-
Total other financing sources (uses)	-	(500,000)	(500,000)	-
NET CHANGE IN FUND BALANCE	\$ (7,621,536)	\$ (9,753,676)	614,455	\$ 10,368,131
FUND BALANCE, MAY 1			10,067,537	
Prior period adjustment			7,045	
FUND BALANCE, MAY 1, RESTATED			10,074,582	
FUND BALANCE, APRIL 30			\$ 10,689,037	

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2004

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
1998	\$ 16,729,727	\$ 17,938,649	93.3%	\$ 1,208,922	\$ 6,480,231	18.7%
1999	19,826,063	20,169,844	98.3%	343,781	7,118,919	4.8%
2000	21,746,607	20,529,439	105.9%	(1,217,168)	7,141,970	(17.0%)
2001	23,261,163	21,743,436	107.0%	(1,517,727)	7,407,348	(20.5%)
2002	22,536,045	23,277,024	96.8%	740,979	7,920,248	9.4%
2003	23,092,779	25,246,976	91.5%	2,154,197	8,233,761	26.2%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
POLICE PENSION FUND

April 30, 2004

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
1999	\$ 28,921,439	\$ 29,069,703	99.5%	\$ 148,264	\$ 4,654,371	3.2%
2000	31,308,384	32,960,178	95.0%	1,651,794	5,082,048	32.5%
2001	33,436,930	36,833,722	90.8%	3,396,792	5,394,162	63.0%
2002	35,189,899	39,883,312	88.2%	4,693,413	5,704,637	82.3%
2003	36,621,334	43,630,009	83.9%	7,008,675	5,896,895	118.9%
2004	38,312,644	45,913,908	83.4%	7,601,264	6,078,630	125.0%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
FIREFIGHTERS' PENSION FUND

April 30, 2004

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (OAAL) (UAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
1999	\$ 39,120,301	\$ 34,500,773	113.4%	\$ (4,619,528)	\$ 4,835,500	(95.5%)
2000	41,675,510	40,476,159	103.0%	(1,199,351)	5,206,655	(23.0%)
2001	43,545,584	43,651,926	99.8%	106,342	5,301,272	2.0%
2002	44,440,254	47,042,461	94.5%	2,602,207	5,514,729	47.2%
2003	44,610,192	50,426,157	88.5%	5,815,965	5,485,384	106.0%
2004	45,145,876	52,220,903	86.5%	7,075,027	5,724,054	123.6%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2004

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Calendar Year	Employer Contributions	Annual Pension Cost (APC)	Percentage Contributed
1998	\$ 670,056	\$ 670,056	100%
1999	708,332	708,332	100%
2000	643,491	643,491	100%
2001	638,513	638,513	100%
2002	517,984	517,984	100%
2003	528,607	528,607	100%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

April 30, 2004

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Contributed</u>
1999	\$ 682,235	\$ 682,918	99.9%
2000	552,341	490,653	112.6%
2001	541,319	491,561	110.1%
2002	548,865	491,526	111.7%
2003	667,121	600,181	111.2%
2004	762,622	689,906	110.5%

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FIREFIGHTERS' PENSION FUND

April 30, 2004

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<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Contributed</u>
1999	\$ 232,298	\$ 232,997	99.7%
2000	252,198	209,225	120.5%
2001	412,490	463,090	89.1%
2002	430,865	465,815	92.5%
2003	624,928	569,842	109.7%
2004	771,732	718,621	107.4%

(See independent auditor's report.)

## VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2004

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#### Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise and Internal Service Funds. All annual appropriations lapse at fiscal year end. As a management and planning tool, budgets are also prepared for the trust funds.

The Village follows the procedures noted below in establishing the budgetary data reflected in the financial statements.

1. The Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted.
3. The budget is legally enacted by approval of the Board of Trustees.
4. The budget was amended during the year by the Board of Trustees.
5. The level of control (level at which expenditures may not exceed budget) is the department. Management may transfer amounts between line-items so long as the total department budget is not revised. Budget amendments which increase the total amount of a department's budget must be approved by the Village Board.

#### Excess of Actual Expenditures/Expenses over Budget in Individual Funds/Departments

The General Fund had actual expenditures over budget in the amount of \$370,101 for the year ended April 30, 2004.

The Debt Service Fund had actual expenditures over budget in the amount of \$79,060 for the year ended April 30, 2004.

The Grove Mall Redevelopment Fund had actual expenditures over budget in the amount of \$329,480 for the year ended April 30, 2004.

## **MAJOR GOVERNMENTAL FUNDS**

### **General Fund**

To account for resources traditionally associated with governments that are not required to be accounted for in another fund.

### **Industrial/Commercial Revitalization Fund**

To account for the operations of the Village's industrial and commercial revitalization programs. Financing is provided by a tax assessed on telecommunication services.

### **Capital Projects Debt Fund**

To accumulate monies for payment of General Obligation Bonds. Financing is provided by annual property tax levy. The Village of Elk Grove reports only one (1) debt service fund which includes the series itemized below.

**Series 1993** – issued in serial bonds due in annual installments until maturity in 2012. The bonds were issued to advance refund outstanding portions of the Series 1985, 1989 and 1991 General Obligation Bonds.

**Series 2001** – issued in serial bonds due in annual installments until maturity in 2006. The bonds were issued to advance refund outstanding Series 1992 General Obligation Bonds.

**Series 2002** – issued in serial bonds due in annual installments until maturity in 2006. The bonds were issued to advance refund outstanding 1994 General Obligation Bonds.

**Series 2003A** – issued in serial bonds due in annual installments until maturity in 2018. The bonds were issued to pay costs of various projects included in the capital improvements plan.

### **Capital Projects Fund**

To account for the purchase, maintenance, or construction of major capital projects in the Village. Projects are financed by federal and state grants and proceeds of General Obligation Bonds.

### **Grove Mall Redevelopment Fund**

To account for the purchase, maintenance, and redevelopment expenditures associated with the Grove Mall property.





## **The Devon/Rohlwing Redevelopment Fund**

To account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center Property.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>TAXES</b>				
Current year levy	\$ 4,384,729	\$ 4,384,729	\$ 5,666,476	\$ 1,281,747
Prior year levy	9,450	9,450	11,329	1,879
Sales and use tax	11,586,547	11,586,547	11,748,530	161,983
Food and beverage tax	649,630	649,630	631,797	(17,833)
Real estate transfer tax	935,092	935,092	1,187,754	252,662
Hotel/motel occupancy tax	937,250	937,250	895,932	(41,318)
Franchise fees - cable	57,200	57,200	64,036	6,836
Franchise fees - other	65,384	65,384	420,128	354,744
Telecommunication taxes	640,538	640,538	614,751	(25,787)
Total taxes	19,265,820	19,265,820	21,240,733	1,974,913
<b>LICENSES AND PERMITS</b>				
Business licenses	148,851	148,851	140,444	(8,407)
Liquor licenses	112,500	112,500	109,300	(3,200)
Vending machine licenses	46,630	46,630	41,863	(4,767)
Passenger cars licenses	356,470	356,470	422,782	66,312
Truck licenses	182,170	182,170	210,058	27,888
Motorcycle licenses	2,925	2,925	7,866	4,941
Recreational vehicle licenses	675	675	900	225
Senior citizen licenses	1,735	1,735	1,890	155
Dealer licenses	650	650	620	(30)
Pet licenses	4,777	4,777	4,828	51
Alarm user licenses	33,250	33,250	30,138	(3,112)
Building permit fees	940,320	940,320	1,058,401	118,081
Engineering permits	18,605	18,605	18,910	305
Scavenger licenses	37,500	37,500	33,155	(4,345)
Total licenses and permits	1,887,058	1,887,058	2,081,155	194,097
<b>INTERGOVERNMENTAL</b>				
LLEBG - armor vest	3,849	3,849	-	(3,849)
State grant - fire and police training	16,000	16,000	8,129	(7,871)
State grant - DARE program	1,000	1,000	13,997	12,997
State grant - tobacco enforcement	-	-	4,620	4,620
State shared revenue - PPRT	330,245	330,245	571,133	240,888
State shared revenue - income tax	2,069,729	2,069,729	2,098,490	28,761

(This schedule is continued on the following pages.)

## VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>INTERGOVERNMENTAL (Continued)</b>				
Township shared revenue - road and bridge current	\$ 110,950	\$ 110,950	\$ 114,747	\$ 3,797
Township shared revenue - road and bridge prior	500	500	214	(286)
Miscellaneous grants	3,000	3,000	3,000	-
Total intergovernmental	2,535,273	2,535,273	2,814,330	279,057
<b>CHARGES FOR SERVICES</b>				
Court reporter/filing fee	3,800	3,800	13,813	10,013
Engineering fees	90,822	90,822	115,459	24,637
Maps and publications	3,288	3,288	1,987	(1,301)
Annexation fees	-	-	4,000	4,000
Plats/plan review	750	750	-	(750)
Elevator inspection fees	14,870	14,870	15,200	330
Sign inspection fees	11,630	11,630	12,060	430
Off duty detail - fire	200	200	313	113
Off duty detail - police	300	300	582	282
High school counselor	61,340	61,340	61,340	-
Contract fire/ambulance service	33,850	33,850	31,623	(2,227)
Fire brigade training	3,128	3,128	7,825	4,697
CPF training	1,578	1,578	3,015	1,437
Police report copies	11,100	11,100	10,107	(993)
Jr high school counselor	64,809	64,809	63,194	(1,615)
Fire reinspection fees	17,500	17,500	3,150	(14,350)
Immunization fees	16,925	16,925	16,888	(37)
Health reinspection fees	1,825	1,825	1,500	(325)
Total charges for services	337,715	337,715	362,056	24,341
<b>FINES AND FORFEITS</b>				
Circuit court fines	444,656	444,656	447,153	2,497
DUI fines	10,000	10,000	12,040	2,040
Local ordinance fines	235,450	235,450	244,268	8,818
False alarm fines	94,100	94,100	71,450	(22,650)
Other fines and forfeits	900	900	200	(700)
Total fines and forfeits	785,106	785,106	775,111	(9,995)

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
INTEREST				
Interest on investments	\$ 250,475	\$ 250,475	\$ 452,532	\$ 202,057
Interest on sales tax	2,250	2,250	3,310	1,060
Interest on property tax	3,387	3,387	1,726	(1,661)
Total interest	256,112	256,112	457,568	201,456
MISCELLANEOUS				
Miscellaneous revenue - other	33,885	33,885	37,336	3,451
Sales of surplus property	41,300	41,300	21,174	(20,126)
Property rental	311,705	311,705	269,700	(42,005)
Nonrevenue receipts - other	6,000	6,000	4,071	(1,929)
Damage to Village property	3,025	3,025	-	(3,025)
Reimbursement of expenditures	42,980	42,980	34,375	(8,605)
Contributions - miscellaneous	1,000	1,000	50	(950)
Total miscellaneous	439,895	439,895	366,706	(73,189)
TOTAL REVENUES	\$ 25,506,979	\$ 25,506,979	\$ 28,097,659	\$ 2,590,680

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>GENERAL GOVERNMENT</b>				
Village Board				
Personal services	\$ 221,522	\$ 242,989	\$ 249,023	\$ 6,034
Supplies	13,800	13,740	13,352	(388)
Communication	19,450	19,342	7,391	(11,951)
Professional development	193,770	160,898	153,216	(7,682)
Maintenance service	1,875	1,875	539	(1,336)
Other charges	1,132,820	1,170,130	1,105,821	(64,309)
Subtotal Village Board	1,583,237	1,608,974	1,529,342	(79,632)
Reimbursement from Waterworks and Sewerage	(247,767)	(247,767)	(247,767)	-
Total Village Board	1,335,470	1,361,207	1,281,575	(79,632)
Boards and Commissions				
Personal services	15,700	14,400	10,235	(4,165)
Supplies	285	360	332	(28)
Communication	17,875	15,375	5,692	(9,683)
Professional development	390	390	340	(50)
Maintenance service	450	450	116	(334)
Other charges	30,925	33,350	23,969	(9,381)
Total Boards and Commissions	65,625	64,325	40,684	(23,641)
Village Clerk				
Personal services	118,424	137,974	137,840	(134)
Supplies	1,750	2,095	2,094	(1)
Communication	2,850	2,805	1,976	(829)
Professional development	1,180	1,180	971	(209)
Maintenance service	2,960	2,960	2,499	(461)
Other charges	10,670	13,326	7,712	(5,614)
Capital outlay	3,150	3,150	2,657	(493)
Subtotal Village Clerk	140,984	163,490	155,749	(7,741)
Reimbursement from Waterworks and Sewerage	(22,063)	(22,063)	(22,063)	-
Total Village Clerk	118,921	141,427	133,686	(7,741)

(This schedule is continued on the following pages.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>GENERAL GOVERNMENT (Continued)</b>				
Village Manager				
Personal services	\$ 594,045	\$ 669,848	\$ 678,585	\$ 8,737
Supplies	27,550	25,355	24,470	(885)
Communication	8,325	8,090	6,046	(2,044)
Professional development	15,530	15,620	12,763	(2,857)
Maintenance service	2,670	2,650	1,805	(845)
Other charges	5,275	40,445	38,694	(1,751)
Capital outlay	26,150	26,659	1,604	(25,055)
Subtotal Village Manager	679,545	788,667	763,967	(24,700)
Reimbursement from Waterworks and Sewerage	(98,337)	(98,337)	(98,337)	-
Total Village Manager	581,208	690,330	665,630	(24,700)
Finance				
Personal services	2,852,773	1,116,221	1,107,616	(8,605)
Supplies	12,906	12,362	11,109	(1,253)
Communication	143,443	143,265	131,440	(11,825)
Professional development	10,670	10,840	3,812	(7,028)
Maintenance service	68,584	67,879	61,746	(6,133)
Other charges	1,473,857	315,825	286,407	(29,418)
Capital outlay	32,088	33,575	31,608	(1,967)
Debt service	3,000	3,000	1,688	(1,312)
Subtotal Finance	4,597,321	1,702,967	1,635,426	(67,541)
Reimbursement from Waterworks and Sewerage	(452,129)	(452,129)	(452,129)	-
Total Finance	4,145,192	1,250,838	1,183,297	(67,541)
Total general government	6,246,416	3,508,127	3,304,872	(203,255)
<b>PUBLIC SAFETY</b>				
Fire				
Personal services	7,223,310	8,159,484	8,885,967	726,483
Supplies	135,750	134,957	127,391	(7,566)
Communication	25,950	26,815	25,930	(885)
Professional development	113,715	114,050	63,823	(50,227)
Maintenance service	125,842	114,330	93,073	(21,257)
Other charges	177,578	655,640	604,966	(50,674)
Capital outlay	325,224	335,043	284,161	(50,882)
Total fire	8,127,369	9,540,319	10,085,311	544,992

(This schedule is continued on the following pages.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>PUBLIC SAFETY (Continued)</b>				
Police				
Personal services	\$ 7,590,700	\$ 8,414,237	\$ 9,126,767	\$ 712,530
Supplies	187,280	185,425	154,773	(30,652)
Communication	35,160	37,590	35,797	(1,793)
Professional development	137,780	127,995	79,103	(48,892)
Maintenance service	62,550	60,524	43,442	(17,082)
Other charges	461,158	951,859	915,819	(36,040)
Capital outlay	81,834	119,807	87,755	(32,052)
Total police	8,556,462	9,897,437	10,443,456	546,019
Total public safety	16,683,831	19,437,756	20,528,767	1,091,011
<b>HIGHWAYS AND STREETS</b>				
Engineering				
Personal services	994,392	1,101,058	1,092,229	(8,829)
Supplies	14,050	14,672	13,879	(793)
Communication	5,650	5,650	4,551	(1,099)
Professional development	3,851	4,106	1,489	(2,617)
Maintenance service	9,725	9,400	7,404	(1,996)
Other charges	17,975	56,961	55,456	(1,505)
Capital outlay	2,720	2,720	2,607	(113)
Total engineering	1,048,363	1,194,567	1,177,615	(16,952)
Streets				
Personal services	2,241,770	2,487,811	2,385,136	(102,675)
Supplies	359,600	376,451	331,605	(44,846)
Communication	7,925	9,393	8,460	(933)
Professional development	5,513	5,364	3,081	(2,283)
Maintenance service	904,155	875,096	655,917	(219,179)
Other charges	262,630	499,387	399,342	(100,045)
Capital outlay	124,323	151,208	147,535	(3,673)
Subtotal streets	3,905,916	4,404,710	3,931,076	(473,634)
Reimbursement from Waterworks and Sewerage	(158,449)	(158,449)	(158,449)	-
Total streets	3,747,467	4,246,261	3,772,627	(473,634)
Total highways and streets	4,795,830	5,440,828	4,950,242	(490,586)

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
HEALTH SERVICES				
Personal services	\$ 294,173	\$ 349,443	\$ 317,861	\$ (31,582)
Supplies	21,020	20,885	16,968	(3,917)
Communication	3,690	3,500	1,597	(1,903)
Professional development	3,660	3,785	2,283	(1,502)
Maintenance service	1,470	1,470	844	(626)
Other charges	5,730	24,702	21,736	(2,966)
Capital outlay	2,300	2,300	2,192	(108)
Total health services	332,043	406,085	363,481	(42,604)
COMMUNITY SERVICES				
Personal services	79,805	79,805	98,701	18,896
Supplies	450	605	601	(4)
Communication	1,520	1,365	841	(524)
Professional development	955	955	135	(820)
Maintenance service	775	775	450	(325)
Other charges	1,875	4,174	2,486	(1,688)
Total community services	85,380	87,679	103,214	15,535
TOTAL EXPENDITURES	\$ 28,143,500	\$ 28,880,475	\$ 29,250,576	\$ 370,101

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>				
Taxes	\$ 2,447,657	\$ 2,447,657	\$ 2,410,687	\$ (36,970)
Intergovernmental	502,939	502,939	502,939	-
Investment income	-	-	23,651	23,651
Total revenues	2,950,596	2,950,596	2,937,277	(13,319)
<b>EXPENDITURES</b>				
Debt service				
Principal				
1993 General Obligation Bonds	70,000	70,000	70,000	-
2001 General Obligation Bonds	630,000	630,000	630,000	-
2002 General Obligation Bonds	1,710,000	1,710,000	1,710,000	-
2003B General Obligation Refunding Bonds	-	-	115,000	115,000
Interest and fiscal charges				
1993 General Obligation Bonds	342,887	342,887	172,914	(169,973)
2001 General Obligation Bonds	74,600	74,600	74,600	-
2002 General Obligation Bonds	98,875	98,875	98,875	-
2003A General Obligation Bonds	280,833	280,833	280,833	-
2003B General Obligation Refunding Bonds	-	-	52,165	52,165
Fiscal charges	-	-	81,868	81,868
Total expenditures	3,207,195	3,207,195	3,286,255	79,060
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(256,599)	(256,599)	(348,978)	(92,379)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	7,243,000	7,243,000
Premium on bonds issued	-	-	134,975	134,975
Payment to escrow agent	-	-	(7,296,107)	7,296,107
Total other financing sources (uses)	-	-	81,868	81,868
NET CHANGE IN FUND BALANCE	\$ (256,599)	\$ (256,599)	(267,110)	\$ 10,511
FUND BALANCE, MAY 1			1,959,882	
FUND BALANCE, APRIL 30			\$ 1,692,772	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 1,344,229	\$ 1,344,229	\$ 712,112	\$ (632,117)
Investment income	250,450	250,450	106,112	(144,338)
Miscellaneous	-	-	14,805	14,805
Total revenues	1,594,679	1,594,679	833,029	(761,650)
EXPENDITURES				
Capital outlay				
Mayor and board	160,000	160,000	761	(159,239)
Finance	500,000	500,000	-	(500,000)
Police	4,000,000	4,000,000	1,500	(3,998,500)
Fire	106,800	224,800	162,545	(62,255)
Engineering	5,777,666	6,163,955	1,423,737	(4,740,218)
Streets	2,012,000	2,012,000	8,208	(2,003,792)
Total expenditures	12,556,466	13,060,755	1,596,751	(11,464,004)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,961,787)	(11,466,076)	(763,722)	10,702,354
OTHER FINANCING SOURCES (USES)				
Bond issued	441,191	441,191	417,000	(24,191)
Premium on bonds issued	-	-	8,724	8,724
Total other financing sources (uses)	441,191	441,191	425,724	(15,467)
NET CHANGE IN FUND BALANCE	<u>\$ (10,520,596)</u>	<u>\$ (11,024,885)</u>	(337,998)	<u>\$ 10,686,887</u>
FUND BALANCE, MAY 1			<u>11,533,127</u>	
FUND BALANCE, APRIL 30			<u>\$ 11,195,129</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GROVE MALL REDEVELOPMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 855,000	\$ 855,000	\$ 839,381	\$ (15,619)
Investment income	-	-	79	79
Miscellaneous	-	-	-	-
Total revenues	855,000	855,000	839,460	(15,540)
EXPENDITURES				
Capital outlay				
Engineering	-	-	813	813
Interest	-	-	328,667	328,667
Total expenditures	-	-	329,480	329,480
NET CHANGE IN FUND BALANCE	<u>\$ 855,000</u>	<u>\$ 855,000</u>	509,980	<u>\$ (345,020)</u>
FUND BALANCE (DEFICIT), MAY 1			(6,169,499)	
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (5,659,519)</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEVON/ROHLWING REDEVELOPMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ -	\$ -	\$ 46,335	\$ 46,335
Investment income	-	-	71	71
Property rental	-	-	-	-
Total revenues	-	-	46,406	46,406
EXPENDITURES				
Capital outlay				
Mayor and board	-	-	62,278	62,278
Total expenditures	-	-	62,278	62,278
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(15,872)	(15,872)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	85,760	85,760
Total other financing sources (uses)	-	-	85,760	85,760
NET CHANGE IN FUND BALANCE	\$ -	\$ -	69,888	\$ 69,888
FUND BALANCE (DEFICIT), MAY 1			(275,597)	
FUND BALANCE (DEFICIT), APRIL 30			\$ (205,709)	

(See independent auditor's report.)

# **NON-MAJOR GOVERNMENTAL FUNDS**

## **Special Revenue Funds**

### **Illinois Municipal Retirement Fund**

To account for the accumulation of resources to be used as expenditures to the Illinois Municipal Retirement Fund, which will be used to pay retirement benefits.

### **Emergency Management Fund**

To account for the operations and training of emergency management personnel and equipment. Financing is provided by a specific annual property tax levy.

### **Motor Fuel Tax Fund**

To account for the operations of street maintenance as approved by the Illinois Department of Transportation. Financing is provided by the Village's share of state gasoline taxes.

### **Municipal Purpose Fund**

To account for the installation of traffic signals and other municipal improvements within the Village. Financing is provided by contributions from developers.

### **Recycling/Municipal Waste System**

To account for the operations of the Village's solid waste and recycling programs. Revenue is generated by tipping fees paid by the waste hauler and the sale of recycled materials.

### **Asset Seizure**

To account for the operations of law enforcement asset seizures and forfeitures. Financing is provided by the confiscation of criminal assets under guidelines established by State of Illinois Compiled Statutes Chapter 56 ½, Paragraph 15.05, and/or United States Title 21, USC 881. State law requires monies received under Paragraph 15.05 be used for drug related law enforcement. Monies from federal seizure can be used for any general law enforcement purpose.

### **Foreign Fire Insurance Tax Fund**

To account for receipts and disbursement of Foreign Fire Insurance Tax funds.

### **Cable Television Fund**

To account for the operations of the Village's cable television station. Channel 6 funding is provided by cable franchise fees.

**Legal Defense Fund**

To account for the operations to defend the Village from unwarranted taking of public land and private property currently within the corporate limits of the Village. Financing is provided by contributions from various sources.

**Capital Projects Funds****Rohlwing Grove Shopping Center Redevelopment Fund**

To account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center property.

**Residential Enhancement Fund**

To account for the operations of the Village's Residential Enhancement Programs adopted by the Village Board of Trustees in December of 2000. Financing is provided by contributions from other funds.

## VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2004

	Special Revenue			
	Illinois Municipal Retirement	Emergency Management	Motor Fuel Tax	Municipal Purpose
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 19,298	\$ 1,608,959	\$ 76,208
Receivables				
Property taxes	589,122	27,715	-	-
Other	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	74,439	-
Due from other funds	494,056	3,883	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,083,178</b>	<b>\$ 50,896</b>	<b>\$ 1,683,398</b>	<b>\$ 76,208</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 66,756	\$ 3,975	\$ 62,991	\$ -
Contracts and retainage payable	-	-	6,884	-
Accrued wages	-	-	-	-
Deferred property tax revenue	979,435	46,189	-	-
Due to other funds	57,095	1,717	-	-
Other liabilities	-	-	-	-
<b>Total liabilities</b>	<b>1,103,286</b>	<b>51,881</b>	<b>69,875</b>	<b>-</b>
<b>FUND BALANCES</b>				
Reserved for prepaid items	-	-	-	-
Reserved for public safety	-	-	-	-
Reserved for highways and streets	-	-	1,613,523	-
Reserved for health services	-	-	-	-
Reserved for community services	-	-	-	-
Unreserved, undesignated (deficit) - special revenue	(20,108)	(985)	-	76,208
Unreserved, undesignated (deficit) - capital projects	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>(20,108)</b>	<b>(985)</b>	<b>1,613,523</b>	<b>76,208</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,083,178</b>	<b>\$ 50,896</b>	<b>\$ 1,683,398</b>	<b>\$ 76,208</b>

Special Revenue				Capital Projects		
Recycling/ Municipal Waste System	Asset Seizure	Foreign Fire Insurance Tax	Cable Television	Legal Defense	Residential Enhancement	Total Nonmajor Governmental
\$ 293,667	\$ 50,905	\$ 573,234	\$ 232,384	\$ 4,293,307	\$ 882,285	\$ 8,030,247
-	-	-	-	-	-	616,837
7,966	-	-	42,400	363,665	-	414,031
65,062	-	-	1,125	-	-	66,187
-	-	-	-	-	-	74,439
1,364	-	179	-	-	-	499,482
<u>\$ 368,059</u>	<u>\$ 50,905</u>	<u>\$ 573,413</u>	<u>\$ 275,909</u>	<u>\$ 4,656,972</u>	<u>\$ 882,285</u>	<u>\$ 9,701,223</u>
\$ -	\$ 10,612	\$ 120	\$ 3,151	\$ 661,862	\$ 16,813	\$ 826,280
-	-	-	-	-	101,158	108,042
-	-	-	2,902	-	-	2,902
-	-	-	-	-	-	1,025,624
32,897	-	135	17,299	4,226	-	113,369
8,096	2,287	-	-	-	-	10,383
<u>40,993</u>	<u>12,899</u>	<u>255</u>	<u>23,352</u>	<u>666,088</u>	<u>117,971</u>	<u>2,086,600</u>
65,062	-	-	1,125	-	-	66,187
-	38,006	573,158	-	-	-	611,164
-	-	-	-	-	-	1,613,523
262,004	-	-	-	-	-	262,004
-	-	-	251,432	-	-	251,432
-	-	-	-	3,990,884	-	4,045,999
-	-	-	-	-	764,314	764,314
<u>327,066</u>	<u>38,006</u>	<u>573,158</u>	<u>252,557</u>	<u>3,990,884</u>	<u>764,314</u>	<u>7,614,623</u>
<u>\$ 368,059</u>	<u>\$ 50,905</u>	<u>\$ 573,413</u>	<u>\$ 275,909</u>	<u>\$ 4,656,972</u>	<u>\$ 882,285</u>	<u>\$ 9,701,223</u>

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2004

	Special Revenue			
	Illinois Municipal Retirement	Emergency Management	Motor Fuel Tax	Municipal Purpose
REVENUES				
Taxes	\$ 794,567	\$ 44,662	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	2,698	987,806	-
Charges for services	-	-	-	-
Fines	-	-	-	-
Investment income	237	172	16,425	706
Miscellaneous	-	-	-	-
Total revenues	794,804	47,532	1,004,231	706
EXPENDITURES				
Current				
General government	234,808	-	-	-
Public safety	152,286	50,629	-	-
Highways and streets	385,016	-	1,413,587	-
Health services	45,585	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	817,695	50,629	1,413,587	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(22,891)	(3,097)	(409,356)	706
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	(22,891)	(3,097)	(409,356)	706
FUND BALANCES (DEFICIT), MAY 1	(26,503)	2,112	2,022,879	75,502
Prior period adjustment	29,286	-	-	-
FUND BALANCES (DEFICIT), MAY 1, RESTATED	2,783	2,112	2,022,879	75,502
FUND BALANCES (DEFICIT), APRIL 30	\$ (20,108)	\$ (985)	\$ 1,613,523	\$ 76,208

		Special Revenue			Capital Projects		
Recycling/ Municipal Waste System	Asset Seizure	Foreign Fire Insurance Tax	Cable Television	Legal Defense	Residential Enhancement	Total Nonmajor Governmental	
\$ -	\$ -	\$ 101,581	\$ 256,144	\$ -	\$ -	\$ 1,196,954	
121,149	-	-	-	-	-	121,149	
-	-	-	-	915,000	-	1,905,504	
791,516	-	-	-	-	-	791,516	
-	19,549	-	-	-	-	19,549	
3,982	329	2,750	1,567	-	16,825	42,993	
49,518	-	-	68,967	-	880	119,365	
966,165	19,878	104,331	326,678	915,000	17,705	4,197,030	
-	-	-	-	2,424,116	-	2,658,924	
-	17,032	12,281	-	-	-	232,228	
-	-	-	-	-	-	1,798,603	
892,575	-	-	-	-	-	938,160	
-	-	-	225,385	-	-	225,385	
-	-	-	-	-	1,250,155	1,250,155	
892,575	17,032	12,281	225,385	2,424,116	1,250,155	7,103,455	
73,590	2,846	92,050	101,293	(1,509,116)	(1,232,450)	(2,906,425)	
-	-	-	-	5,500,000	-	5,500,000	
(600,000)	-	-	-	-	(300,000)	(900,000)	
(600,000)	-	-	-	5,500,000	(300,000)	4,600,000	
(526,410)	2,846	92,050	101,293	3,990,884	(1,532,450)	1,693,575	
853,476	35,160	481,108	146,967	-	2,296,764	5,887,465	
-	-	-	4,297	-	-	33,583	
853,476	35,160	481,108	151,264	-	2,296,764	5,921,048	
\$ 327,066	\$ 38,006	\$ 573,158	\$ 252,557	\$ 3,990,884	\$ 764,314	\$ 7,614,623	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ILLINOIS MUNICIPAL RETIREMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 807,088	\$ 807,088	\$ 794,567	\$ (12,521)
Investment income	1,000	1,000	237	(763)
Total revenues	808,088	808,088	794,804	(13,284)
EXPENDITURES				
Pension contributions				
General government	781,823	781,823	234,808	(547,015)
Public safety	-	-	152,286	152,286
Highways and streets	-	-	385,016	385,016
Health services	-	-	45,585	45,585
Total expenditures	781,823	781,823	817,695	35,872
NET CHANGE IN FUND BALANCE	\$ 26,265	\$ 26,265	(22,891)	\$ (49,156)
FUND BALANCE (DEFICIT), MAY 1			(26,503)	
Prior period adjustment			29,286	
FUND BALANCE, MAY 1, RESTATED			2,783	
FUND BALANCE (DEFICIT), APRIL 30			\$ (20,108)	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
EMERGENCY MANAGEMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 41,330	\$ 41,330	\$ 44,662	\$ 3,332
Intergovernmental	9,751	9,751	2,698	(7,053)
Investment income	250	250	172	(78)
Total revenues	51,331	51,331	47,532	(3,799)
EXPENDITURES				
Public safety				
Personal services	42,498	42,498	42,498	-
Supplies	480	97	96	(1)
Communication	2,690	2,525	2,737	212
Professional development	590	191	191	-
Maintenance service	4,145	5,107	5,107	-
Other charges	15	-	-	-
Total expenditures	50,418	50,418	50,629	211
NET CHANGE IN FUND BALANCE	\$ 913	\$ 913	(3,097)	\$ (4,010)
FUND BALANCE, MAY 1			2,112	
FUND BALANCE (DEFICIT), APRIL 30			\$ (985)	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ 991,938	\$ 991,938	\$ 987,806	\$ (4,132)
Investment income	30,725	30,725	16,425	(14,300)
Total revenues	1,022,663	1,022,663	1,004,231	(18,432)
EXPENDITURES				
Highways and streets				
Supplies	100,750	100,750	52,797	(47,953)
Maintenance service	1,643,278	1,643,278	1,360,790	(282,488)
Total expenditures	1,744,028	1,744,028	1,413,587	(330,441)
NET CHANGE IN FUND BALANCE	<u>\$ (721,365)</u>	<u>\$ (721,365)</u>	(409,356)	<u>\$ 312,009</u>
FUND BALANCE, MAY 1			<u>2,022,879</u>	
FUND BALANCE, APRIL 30			<u>\$ 1,613,523</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MUNICIPAL PURPOSE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ 1,475	\$ 1,475	\$ 706	\$ (769)
Total revenues	1,475	1,475	706	(769)
EXPENDITURES				
None	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,475</u>	<u>\$ 1,475</u>	706	<u>\$ (769)</u>
FUND BALANCE, MAY 1			<u>75,502</u>	
FUND BALANCE, APRIL 30			<u>\$ 76,208</u>	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RECYCLING/MUNICIPAL WASTE SYSTEM FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Licenses and permits	\$ 120,645	\$ 120,645	\$ 121,149	\$ 504
Charges for services	789,224	789,224	791,516	2,292
Investment income	5,690	5,690	3,982	(1,708)
Miscellaneous	51,100	51,100	49,518	(1,582)
Total revenues	966,659	966,659	966,165	(494)
EXPENDITURES				
Health services				
Supplies	9,050	7,700	7,699	(1)
Communication	4,550	550	549	(1)
Other charges	810,500	817,252	884,327	67,075
Total expenditures	824,100	825,502	892,575	67,073
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	142,559	141,157	73,590	(67,567)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(600,000)	(600,000)
Total other financing sources (uses)	-	-	(600,000)	(600,000)
NET CHANGE IN FUND BALANCE	\$ 142,559	\$ 141,157	(526,410)	\$ (667,567)
FUND BALANCE, MAY 1			853,476	
FUND BALANCE, APRIL 30			\$ 327,066	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ASSET SEIZURE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines	\$ 500	\$ 500	\$ 19,549	\$ 19,049
Investment income	500	500	329	(171)
Total revenues	1,000	1,000	19,878	18,878
EXPENDITURES				
Public safety				
Supplies	2,100	1,925	816	(1,109)
Professional development	12,395	12,395	976	(11,419)
Other charges	13,200	16,875	13,990	(2,885)
Capital outlay	7,305	3,805	1,250	(2,555)
Total expenditures	35,000	35,000	17,032	(17,968)
NET CHANGE IN FUND BALANCE	\$ (34,000)	\$ (34,000)	2,846	\$ 36,846
FUND BALANCE, MAY 1			35,160	
FUND BALANCE, APRIL 30			\$ 38,006	

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 101,581	\$ 101,581	\$ 101,581	\$ -
Investment income	2,940	2,940	2,750	(190)
Total revenues	104,521	104,521	104,331	(190)
EXPENDITURES				
Public safety				
Supplies	1,760	1,760	895	(865)
Maintenance service	5,000	3,109	213	(2,896)
Professional development	24,500	24,500	4,008	(20,492)
Other charges	8,000	7,000	1,015	(5,985)
Capital outlay	8,300	13,103	6,150	(6,953)
Total expenditures	47,560	49,472	12,281	(37,191)
NET CHANGE IN FUND BALANCE	\$ 56,961	\$ 55,049	92,050	\$ 37,001
FUND BALANCE, MAY 1			481,108	
FUND BALANCE, APRIL 30			\$ 573,158	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CABLE TELEVISION FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>REVENUES</b>				
Taxes	\$ 240,000	\$ 240,000	\$ 256,144	\$ 16,144
Investment income	3,000	3,000	1,567	(1,433)
Miscellaneous	-	-	68,967	68,967
Total revenues	243,000	243,000	326,678	83,678
<b>EXPENDITURES</b>				
Community services				
Personal services	155,607	156,276	144,341	(11,935)
Supplies	15,860	10,844	8,998	(1,846)
Communication	6,400	4,624	2,347	(2,277)
Professional development	660	790	700	(90)
Maintenance service	4,000	8,500	5,474	(3,026)
Other charges	20,800	17,093	13,344	(3,749)
Capital outlay	33,943	63,612	50,181	(13,431)
Total expenditures	237,270	261,739	225,385	(36,354)
NET CHANGE IN FUND BALANCE	\$ 5,730	\$ (18,739)	101,293	\$ 120,032
FUND BALANCE, MAY 1			146,967	
Prior period adjustment			4,297	
FUND BALANCE, MAY 1, RESTATED			151,264	
FUND BALANCE, APRIL 30			\$ 252,557	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
LEGAL DEFENSE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 915,000	\$ 915,000
Total revenues	-	-	915,000	915,000
EXPENDITURES				
General government				
Communication	-	12,240	12,235	(5)
Other charges	-	4,987,760	2,411,881	(2,575,879)
Total expenditures	-	5,000,000	2,424,116	(2,575,884)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(5,000,000)	(1,509,116)	3,490,884
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	5,500,000	5,500,000
Total other financing sources (uses)	-	-	5,500,000	5,500,000
NET CHANGE IN FUND BALANCE	\$ -	\$ (5,000,000)	3,990,884	\$ 8,990,884
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ 3,990,884	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RESIDENTIAL ENHANCEMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ 20,000	\$ 20,000	\$ 16,825	\$ (3,175)
Miscellaneous	-	-	880	880
Total revenues	20,000	20,000	17,705	(2,295)
EXPENDITURES				
Capital outlay				
Engineering				
Professional services	760,000	2,043,021	1,250,155	(792,866)
Total expenditures	760,000	2,043,021	1,250,155	(792,866)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(740,000)	(2,023,021)	(1,232,450)	790,571
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(300,000)	(300,000)
Total other financing sources (uses)	-	-	(300,000)	(300,000)
NET CHANGE IN FUND BALANCE	\$ (740,000)	\$ (2,023,021)	(1,532,450)	\$ 490,571
FUND BALANCE, MAY 1			2,296,764	
FUND BALANCE, APRIL 30			\$ 764,314	

(See independent auditor's report.)

## **PROPRIETARY FUNDS**

### **Enterprise Fund**

#### **Waterworks and Sewerage Fund**

To account for the provision of water and sewer services to the residents and businesses of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collection.

### **Internal Service Fund**

#### **Capital Replacement Fund**

To account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of at least five (5) years, financed by charges to the general fund. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING AND NONOPERATING REVENUES -  
BUDGET AND ACTUAL  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>CHARGES FOR SERVICES</b>				
Water division				
Metered water revenue	\$ 8,860,665	\$ 8,860,665	\$ 6,418,223	\$ (2,442,442)
Water connection fees	-	-	82,480	82,480
Inspection fees	-	-	4,672	4,672
Other water revenue	-	-	24,911	24,911
Total water division	8,860,665	8,860,665	6,530,286	(2,330,379)
Sewer division				
Metered water revenue	-	-	1,030,530	1,030,530
Sewer connection fees	-	-	250	250
Other water revenue	-	-	35,481	35,481
Total sewer division	-	-	1,066,261	1,066,261
Total charges for services	8,860,665	8,860,665	7,596,547	(1,264,118)
Late payment charges	-	-	128,602	128,602
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 8,860,665</b>	<b>\$ 8,860,665</b>	<b>\$ 7,725,149</b>	<b>\$ (1,135,516)</b>
<b>NONOPERATING REVENUES</b>				
Investment income	\$ 207,264	\$ 207,264	\$ 39,617	\$ (167,647)
Miscellaneous	35,475	35,475	19,154	(16,321)
Gain (loss) on disposal of assets	-	-	(4,725)	(4,725)
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 242,739</b>	<b>\$ 242,739</b>	<b>\$ 54,046</b>	<b>\$ (188,693)</b>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>ADMINISTRATION</b>				
Personnel services	\$ 374,617	\$ 400,767	\$ 394,264	\$ (6,503)
Other charges	1,256,995	1,287,495	1,278,987	(8,508)
Capital outlays	-	-	-	-
Subtotal	1,631,612	1,688,262	1,673,251	(15,011)
Less fixed assets capitalized	-	-	-	-
Total administration	1,631,612	1,688,262	1,673,251	(15,011)
<b>WATER DIVISION</b>				
Personal services	485,952	458,052	491,013	32,961
Supplies	124,300	114,772	112,831	(1,941)
Communication	7,900	7,856	5,593	(2,263)
Professional development	2,481	2,531	429	(2,102)
Maintenance service	494,450	462,779	102,378	(360,401)
Other charges	145,900	159,916	88,713	(71,203)
Purchased water	5,130,000	5,130,000	4,628,628	(501,372)
Capital outlays	683,850	744,564	236,962	(507,602)
Subtotal	7,074,833	7,080,470	5,666,547	(1,413,923)
Less fixed assets capitalized	-	(744,564)	(148,313)	596,251
Total water division	7,074,833	6,335,906	5,518,234	(817,672)
<b>SEWER DIVISION</b>				
Personnel services	284,343	288,343	284,961	(3,382)
Supplies	55,750	57,000	49,447	(7,553)
Communication	150	150	100	(50)
Professional development	625	625	-	(625)
Maintenance service	59,000	55,950	7,279	(48,671)
Other charges	310,940	314,088	237,535	(76,553)
Capital outlays	650,850	792,842	403,407	(389,435)
Subtotal	1,361,658	1,508,998	982,729	(526,269)
Less fixed assets capitalized	-	(792,842)	(382,562)	410,280
Total sewer division	1,361,658	716,156	600,167	(115,989)

(This schedule is continued on the following page.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -  
BUDGET (NON-GAAP BASIS) AND ACTUAL (Continued)  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
STORM SEWER MAINTENANCE				
Personal services	\$ 153,253	\$ 160,153	\$ 158,810	\$ (1,343)
Supplies	25,450	36,420	31,860	(4,560)
Communications	150	150	76	(74)
Professional development	5,300	4,300	-	(4,300)
Maintenance service	13,800	2,830	-	(2,830)
Rentals	100	1,100	1,000	(100)
Capital outlays	-	-	-	-
Subtotal	198,053	204,953	191,746	(13,207)
Less fixed assets capitalized	-	-	-	-
Total storm sewer maintenance	198,053	204,953	191,746	(13,207)
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 10,266,156	\$ 8,945,277	\$ 7,983,398	\$ (961,879)

(See independent auditor's report.)



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING AND NONOPERATING REVENUES -  
BUDGET AND ACTUAL  
CAPITAL REPLACEMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>CHARGES FOR SERVICES</b>				
General government				
Finance	\$ 24,118	\$ 24,118	\$ 24,118	\$ -
Administration	-	-	-	-
Other	16,993	16,993	16,993	-
Total general government	41,111	41,111	41,111	-
Public safety				
Fire	192,630	192,630	192,630	-
Police	4,749	4,749	4,749	-
Total public safety	197,379	197,379	197,379	-
Highways and streets				
Streets	104,552	104,552	104,522	(30)
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 343,042</b>	<b>\$ 343,042</b>	<b>\$ 343,012</b>	<b>\$ (30)</b>
<b>NONOPERATING REVENUES</b>				
Investment income	\$ 128,450	\$ 128,450	\$ 14,551	\$ (113,899)

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF OPERATING EXPENDITURES -  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
CAPITAL REPLACEMENT FUND

For the Year Ended April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADMINISTRATION				
Mayor/Board				
Capital outlays	\$ 74,409	\$ 169,479	\$ 141,477	\$ (28,002)
Less fixed assets capitalized	-	(169,479)	(141,477)	28,002
Net administration	74,409	-	-	-
HIGHWAYS AND STREETS				
Streets	58,000	58,000	650	(57,350)
Less fixed assets capitalized	-	-	-	-
Net highways and streets	58,000	58,000	650	(57,350)
OPERATING EXPENDITURES EXCLUDING DEPRECIATION	\$ 132,409	\$ 58,000	\$ 650	\$ (57,350)

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

### **Pension Trust Funds**

#### **Police Pension Fund**

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.

#### **Firefighters' Pension Fund**

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
COMBINING STATEMENT OF PLAN NET ASSETS  
PENSION TRUST FUNDS

April 30, 2004

	Firefighters' Pension	Police Pension	Totals
<b>ASSETS</b>			
Cash and investments			
U.S. government and agency obligations	\$ 25,391,672	\$ 18,724,275	\$ 44,115,947
Insurance contracts	2,196,634	2,834,403	5,031,037
Municipal bonds	1,135,462	1,998,573	3,134,035
Equity securities	10,526,068	10,498,982	21,025,050
Money markets	3,305,116	2,918,677	6,223,793
Mutual Funds	1,363,633	-	1,363,633
Illinois Funds	258,958	493,076	752,034
Total cash and investments	44,177,543	37,467,986	81,645,529
Receivables			
Accrued interest	189,616	151,977	341,593
Due from General Fund	76,712	89,113	165,825
Total receivables	266,328	241,090	507,418
Total assets	44,443,871	37,709,076	82,152,947
<b>LIABILITIES</b>			
Due to General Fund	315,238	294,404	609,642
Total liabilities	315,238	294,404	609,642
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 44,128,633	\$ 37,414,672	\$ 81,543,305

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS  
PENSION TRUST FUNDS

April 30, 2004

	Firefighters' Pension	Police Pension	Totals
<hr/>			
ADDITIONS			
Contributions			
Employer	\$ 771,732	\$ 762,622	\$ 1,534,354
Participants	486,844	619,912	1,106,756
	<hr/>		
Total contributions	1,258,576	1,382,534	2,641,110
	<hr/>		
Investment income			
Net appreciation (depreciation) in fair value of investments	2,252,635	1,104,490	3,357,125
Interest income	1,313,619	1,661,605	2,975,224
Less investment expenses	(165,786)	(171,846)	(337,632)
	<hr/>		
Net investment income	3,400,468	2,594,249	5,994,717
	<hr/>		
Total additions	4,659,044	3,976,783	8,635,827
	<hr/>		
DEDUCTIONS			
Administration	6,871	8,365	15,236
Pension benefits and refunds	2,186,859	1,247,766	3,434,625
	<hr/>		
Total deductions	2,193,730	1,256,131	3,449,861
	<hr/>		
NET INCREASE	2,465,314	2,720,652	5,185,966
	<hr/>		
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1	41,663,319	34,694,020	76,357,339
	<hr/>		
April 30	\$ 44,128,633	\$ 37,414,672	\$ 81,543,305
	<hr/>		

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET ASSETS -  
BUDGET AND ACTUAL  
FIREFIGHTERS' PENSION FUND

April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 761,190	\$ 761,190	\$ 771,732	\$ 10,542
Participants	522,148	522,148	486,844	(35,304)
Total contributions	1,283,338	1,283,338	1,258,576	(24,762)
Investment income				
Net appreciation (depreciation) in fair value of investments	-	-	2,252,635	2,252,635
Interest income	1,605,100	1,605,100	1,313,619	(291,481)
Less investment expenses	(117,000)	(166,300)	(165,786)	514
Net investment income	1,488,100	1,438,800	3,400,468	1,961,668
Total additions	2,771,438	2,722,138	4,659,044	1,936,906
<b>DEDUCTIONS</b>				
Administration	9,800	9,800	6,871	(2,929)
Pension benefits and refunds	3,058,611	3,009,311	2,186,859	(822,452)
Total deductions	3,068,411	3,019,111	2,193,730	(825,381)
NET INCREASE (DECREASE)	\$ (296,973)	\$ (296,973)	2,465,314	\$ 2,762,287
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
May 1			41,663,319	
April 30			\$ 44,128,633	

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET ASSETS -  
BUDGET AND ACTUAL  
POLICE PENSION FUND

April 30, 2004

	Original Budget	Final Budget	Actual	Variance Over (Under)
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 753,310	\$ 753,310	\$ 762,622	\$ 9,312
Participants	626,547	626,547	619,912	(6,635)
Total contributions	1,379,857	1,379,857	1,382,534	2,677
Investment income				
Net appreciation (depreciation) in fair value of investments	-	-	1,104,490	1,104,490
Interest income	1,110,000	1,110,000	1,661,605	551,605
Less investment expenses	(122,000)	(172,750)	(171,846)	904
Net investment income	988,000	937,250	2,594,249	1,656,999
Total additions	2,367,857	2,317,107	3,976,783	1,659,676
<b>DEDUCTIONS</b>				
Administration	12,950	12,950	8,365	(4,585)
Pension benefits and refunds	1,557,066	1,506,316	1,247,766	(258,550)
Total deductions	1,570,016	1,519,266	1,256,131	(263,135)
NET INCREASE	\$ 797,841	\$ 797,841	2,720,652	\$ 1,922,811
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>				
May 1			34,694,020	
April 30			\$ 37,414,672	

(See independent auditor's report.)

## **LONG-TERM DEBT**

To account for the non-current portion of the Village's long-term obligations payable by governmental funds.





VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF GENERAL LONG-TERM DEBT

April 30, 2004

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AMOUNT AVAILABLE AND TO BE  
PROVIDED FOR THE RETIREMENT  
OF GENERAL LONG-TERM DEBT

Amount available for debt service	\$ 1,692,772
Amount to be provided for retirement of general long-term debt	<u>20,041,010</u>
	<u>\$ 21,733,782</u>

GENERAL LONG-TERM DEBT PAYABLE

General obligation bonds payable	\$ 20,810,000
Compensated absences	<u>923,782</u>
	<u>\$ 21,733,782</u>

(See independent auditor's report.)

## **OTHER SUPPLEMENTAL INFORMATION**



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

April 30, 2004

Name of Company	Policy Number	Policy Expiration Date	Type of Coverage	Amount of Coverage
United National Package Policy	CPA1000109	05/01/04	<u>Package Policy</u> Property Workers' Compensation Crime Excess Liability General Liability	\$950,000 per occurrence excess of \$50,000 self-insurance retention (SIR) \$100,000 policy limit excess of \$250,000 SIR \$75,000 aggregate excess of \$25,000 SIR \$1,000,000 per occurrence/\$1,000,000 aggregate \$1,950,000 per occurrence excess of \$50,000 SIR
Safety National	SP67777-IL	05/01/04	Excess Workers' Compensation Employer's Liability	Statutory Coverage \$1,000,000 aggregate excess of \$350,000
Travelers	MSJBMG311K0142-TIL-03	05/01/04	Boiler and Machinery	\$50,000,000 policy limit
Travelers	KTXK-CMB-232T589-6-03	05/01/04	Excess Property Flood and Earthquake Mobile Equipment	\$55,000,000 policy limit \$4,000,000 policy limit \$2,273,393 policy limit **All limits excess of United National package of \$1,000,000 per occurrence**
Kemper Group	3SM608611-04	05/01/05	<u>Public Official Bond</u> Village Clerk Assistant Treasurer Treasurer	\$3,000 \$75,000 \$100,000
Western World	NPP834738	05/01/04	Community Nurse Professional Liability	\$1,000,000 per occurrence excess of \$500 \$1,000,000 aggregate
High-Level Excess Liability Pool	N/A	Continuous	Excess Liability	\$10,000,000 excess of \$2,000,000 SIR
Travelers	008-FF-103012329	05/01/04	Police and Fire Pension Fiduciary Liability	\$1,000,000 annual aggregate excess of \$40,000 SIR
Travelers	2565839387	12/20/04	Federal Flood	\$500,000 policy limit - buildings \$500,000 policy limit - contents
Colony Insurance Company	PP2021422	05/01/04	Environmental Liability Storage Tank Liability (above and underground storage)	\$1,000,000 third party liability \$1,000,000 aggregate, \$25,000 SIR

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BOND SERIES OF 2001

April 30, 2004

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Date of Issue	March 15, 2001
Date of Maturity	December 1, 2006
Authorized Issue	\$ 3,375,000
Denomination of Bonds	\$ 5,000
Interest Rates	4.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	American National Bank and Trust Co. Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2003	\$ 655,000	\$ 49,400	\$ 704,400	2004	\$ 24,700	2004	\$ 24,700
2004	285,000	23,200	308,200	2005	11,600	2005	11,600
2005	295,000	11,800	306,800	2006	5,900	2006	5,900
	<u>\$ 1,235,000</u>	<u>\$ 84,400</u>	<u>\$ 1,319,400</u>		<u>\$ 42,200</u>		<u>\$ 42,200</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BOND SERIES OF 2002

April 30, 2004

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Date of Issue	March 15, 2002
Date of Maturity	December 1, 2006
Authorized Issue	\$ 5,800,000
Denomination of Bonds	\$ 5,000
Interest Rates	1.70% to 3.10%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	American National Bank and Trust Co. Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2003	\$ 1,405,000	\$ 65,530	\$ 1,470,530	2004	\$ 32,765	2004	\$ 32,765
2004	515,000	31,108	546,108	2005	15,554	2005	15,554
2005	530,000	16,430	546,430	2006	8,215	2006	8,215
	<u>\$ 2,450,000</u>	<u>\$ 113,068</u>	<u>\$ 2,563,068</u>		<u>\$ 56,534</u>		<u>\$ 56,534</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BOND SERIES OF 2003A

April 30, 2004

Date of Issue	April 1, 2003
Date of Maturity	January 1, 2018
Authorized Issue	\$ 9,580,000
Denomination of Bonds	\$ 5,000
Interest Rates	2.25% to 5.50%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Deutchse Bank National Trust Company Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	July 1	Amount	January 1	Amount
2003	\$ -	\$ 387,356	\$ 387,356	2004	\$ 193,678	2005	\$ 193,678
2004	610,000	387,356	997,356	2005	193,678	2006	193,678
2005	625,000	373,631	998,631	2006	186,816	2007	186,815
2006	640,000	357,225	997,225	2007	178,613	2008	178,612
2007	660,000	338,025	998,025	2008	169,013	2009	169,012
2008	680,000	316,575	996,575	2009	158,288	2010	158,287
2009	705,000	292,775	997,775	2010	146,388	2011	146,387
2010	735,000	264,575	999,575	2011	132,288	2012	132,287
2011	760,000	235,175	995,175	2012	117,588	2013	117,587
2012	795,000	204,775	999,775	2013	102,388	2014	102,387
2013	825,000	172,975	997,975	2014	86,488	2015	86,487
2014	860,000	139,975	999,975	2015	69,988	2016	69,987
2015	905,000	92,675	997,675	2016	46,338	2017	46,337
2016	780,000	42,900	822,900	2017	21,450	2018	21,450
	<u>\$ 9,580,000</u>	<u>\$ 3,605,993</u>	<u>\$ 13,185,993</u>		<u>\$ 1,803,002</u>		<u>\$ 1,802,991</u>

(See independent auditor's report.)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BOND SERIES OF 2003B

April 30, 2004

Date of Issue	September 1, 2003
Date of Maturity	December 1, 2012
Authorized Issue	\$ 7,660,000
Denomination of Bonds	\$ 5,000
Interest Rates	2.50% to 4.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Deutchse Bank National Trust Company Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2003	\$ 495,000	\$ 253,800	\$ 748,800	2004	\$ 126,900	2004	\$ 126,900
2004	705,000	238,950	943,950	2005	119,475	2005	119,475
2005	725,000	219,562	944,562	2006	109,781	2006	109,781
2006	1,605,000	201,438	1,806,438	2007	100,719	2007	100,719
2007	750,000	153,288	903,288	2008	76,644	2008	76,644
2008	770,000	128,912	898,912	2009	64,456	2009	64,456
2009	800,000	101,962	901,962	2010	50,981	2010	50,981
2010	830,000	69,962	899,962	2011	34,981	2011	34,981
2011	865,000	36,762	901,762	2012	18,381	2012	18,381
	<u>\$ 7,545,000</u>	<u>\$ 1,404,636</u>	<u>\$ 8,949,636</u>		<u>\$ 702,318</u>		<u>\$ 702,318</u>

(See independent auditor's report.)



# **Statistical Section**



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

GOVERNMENT-WIDE REVENUES

For the Fiscal Year Ended April 30, 2004

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PROGRAM REVENUES

Charges for services	\$ 11,371,967
Operating grants and contributions	3,089,476
Capital grants and contributions	2,548,227

GENERAL REVENUES

Taxes	30,252,540
Investment income	735,727
Miscellaneous	637,963
Gain (loss) on sale of capital assets	<u>1,166</u>

TOTAL PRIMARY GOVERNMENT	<u><u>\$ 48,637,066</u></u>
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NOTE: The Village implemented GASB S-34 for the fiscal year ended April 30, 2004.

Data Source

Village Records

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
GOVERNMENT-WIDE EXPENSES BY FUNCTION

For the Fiscal Year Ended April 30, 2004

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GOVERNMENTAL ACTIVITIES	
General government	\$ 6,353,807
Public safety	20,506,176
Highways and streets	11,795,537
Health services	1,300,937
Community services	327,246
Interest and fiscal charges	<u>1,077,282</u>
Total governmental activities	41,360,985
BUSINESS-TYPE ACTIVITIES	
Waterworks and sewerage	<u>8,608,588</u>
Total business-type activities	<u>8,608,588</u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 49,969,573</u></u>

NOTE: The Village implemented GASB S-34 for the fiscal year ended April 30, 2004.

Data Source

Village Records

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
GENERAL GOVERNMENTAL REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Taxes	\$ 20,963,315	\$ 21,044,248	\$ 22,781,421	\$ 24,647,524	\$ 25,514,706	\$ 27,164,573	\$ 27,320,396	\$ 25,062,968	\$ 25,665,153	\$ 28,278,948
Licenses and permits	1,188,091	1,725,335	1,451,155	1,493,495	1,657,034	1,876,889	1,957,132	1,552,703	1,489,087	2,202,304
Intergovernmental	3,310,074	3,768,966	4,208,352	3,957,314	4,469,175	5,651,785	6,508,061	5,172,454	5,426,815	7,225,510
Contributions from other governments	713,125	1,963,688	-	-	-	-	-	-	-	-
Charges for services	444,359	770,042	902,550	908,894	1,011,851	978,484	1,075,827	1,104,201	1,083,420	1,153,572
Fines	756,393	597,641	616,465	631,822	666,028	714,670	573,156	719,839	710,256	794,660
Investment income	1,370,827	1,820,399	1,270,537	1,518,968	1,651,940	1,570,797	2,829,613	1,910,689	1,024,377	696,110
Miscellaneous	274,734	192,962	534,052	361,930	382,909	1,083,416	517,833	1,504,970	1,390,905	500,876
<b>TOTAL REVENUES</b>	<b>\$ 29,020,918</b>	<b>\$ 31,883,281</b>	<b>\$ 31,764,532</b>	<b>\$ 33,519,947</b>	<b>\$ 35,353,643</b>	<b>\$ 39,040,614</b>	<b>\$ 40,782,018</b>	<b>\$ 37,027,824</b>	<b>\$ 36,790,013</b>	<b>\$ 40,851,980</b>

NOTE: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source

Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004*
General government	\$ 4,698,957	\$ 5,036,804	\$ 5,373,177	\$ 5,910,951	\$ 5,876,802	\$ 5,631,739	\$ 6,268,164	\$ 6,350,751	\$ 6,402,550	\$ 5,963,796
Public safety	11,535,083	13,239,362	12,513,264	14,364,913	14,290,632	15,713,145	16,156,168	17,491,721	17,267,723	20,760,995
Highways and streets	4,207,333	4,864,364	4,539,905	4,790,905	4,917,662	6,020,789	7,878,106	7,664,206	7,663,056	9,535,509
Health services	578,996	747,628	1,203,890	1,258,630	1,329,134	1,237,371	1,270,733	1,196,946	1,038,110	1,301,641
Community services	79,618.00	77,689.00	76,757.00	86,833.00	82,901.00	81,962	82,828	81,299	65,269	328,599
Pension contributions	827,893	830,341	881,833	911,630	971,288	936,032	921,348	922,668	857,253	-
Capital outlay	3,917,144	1,611,237	4,182,011	3,378,181	3,751,849	2,570,998	3,351,809	3,556,479	8,102,157	2,909,997
Debt service	3,607,689	4,882,031	2,921,496	2,910,595	2,908,279	2,910,980	2,906,465	2,839,708	3,107,358	3,614,922
TOTAL EXPENDITURES	\$ 29,452,713	\$ 31,289,456	\$ 31,692,333	\$ 33,612,638	\$ 34,128,547	\$ 35,103,016	\$ 38,835,621	\$ 40,103,778	\$ 44,503,476	\$ 44,415,459

\* Beginning in 2004, pension contribution expenditures are recorded in the functions they are attributable to.

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source

Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Tax Levy Year	Fiscal Year of Tax Levy	Fiscal Year of Collections	Total Tax Levy as Extended	Collection of Current Year's Levy	Percentage of Current Year's Levy Collected
1993	1994	1995	\$ 7,641,303	\$ 7,614,272	99.65%
1994	1995	1996	7,762,601	7,855,200	101.19%
1995	1996	1997	7,939,518	7,972,244	100.41%
1996	1997	1998	8,190,430	8,218,590	100.34%
1997	1998	1999	8,321,056	8,188,835	98.41%
1998	1999	2000	8,313,427	8,058,602	96.93%
1999	2000	2001	8,217,398	8,158,224	99.28%
2000	2001	2002	8,278,588	7,917,001	95.63%
2001	2002	2003	8,827,612	8,637,594	97.85%
2002	2003	2004	9,067,040	8,905,629	98.22%

Excludes the Elk Grove Village Public Library

Data Source

Audited Financial Statements

Cook and DuPage County Treasurer's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

EQUALIZED ASSESSED VALUATION OF TAXABLE PROPERTY

Last Ten Levy Years

Tax Levy Year	Equalized Assessed Value					Estimated Actual Value
	Real Property			Railroad Property	Totals	
	Cook	DuPage	Total	Cook		
1994	\$ 1,274,798,227	\$ 73,699,090	\$ 1,348,497,317	\$ 170,919	\$ 1,348,668,236	\$ 4,086,464,755
1995	1,357,654,371	76,002,450	1,433,656,821	219,897	1,433,876,718	4,344,646,456
1996	1,387,567,231	80,915,073	1,468,482,304	481,276	1,468,963,580	4,450,959,647
1997	1,385,917,394	80,521,580	1,466,438,974	438,084	1,466,877,058	4,444,637,486
1998	1,467,036,369	84,103,250	1,551,139,619	458,513	1,551,598,132	4,701,342,340
1999	1,504,856,219	89,264,670	1,594,120,889	469,380	1,594,590,269	4,831,608,515
2000	1,487,891,049	92,388,250	1,580,279,299	381,667	1,580,660,966	4,789,402,727
2001	1,696,445,980	98,485,190	1,794,931,170	398,528	1,795,329,698	5,386,527,747
2002	1,811,918,052	103,742,090	1,915,660,142	632,031	1,916,292,173	5,748,876,399
2003	1,779,527,902	103,085,102	1,882,613,004	677,829	1,883,290,833	5,649,872,499

Note: The State of Illinois Department of Revenue is required by law to examine the assessment procedures in each county and make adjustments for differing assessment levels. This is done by assigning an equalization factor to the assessed value as determined by the individual county. The equalized assessed value is then used by the county to spread the tax levy and set tax rates. The assessed value shown on this and all subsequent exhibits is the equalized assessed value.

Data Source

DuPage County Clerk's office and Cook County Assessor's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

ADDISON TOWNSHIP PROPERTY TAX RATES  
(Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
DuPage County	0.414	0.380	0.318	0.297	0.283	0.268	0.254	0.235	0.215	0.200
DuPage Forest Preserve District	0.173	0.169	0.165	0.187	0.185	0.180	0.174	0.165	0.129	0.142
DuPage Airport Bond and Interest	0.081	0.030	-	-	-	-	-	0.027	0.025	0.023
Township of Addison Town	0.053	0.053	0.054	0.055	0.054	0.053	0.053	0.052	0.050	0.049
Addison Township Road	0.080	0.080	0.081	0.082	0.081	0.080	0.080	0.079	0.075	0.073
Village of Elk Grove Village	0.707	0.695	0.634	0.668	0.689	0.590	0.748	0.695	0.685	0.747
Elk Grove Village Public Library	0.191	0.191	0.175	0.185	0.201	0.180	0.237	0.221	0.230	0.247
Bensenville Park District	0.362	0.358	0.353	0.358	0.355	0.352	0.370	0.350	0.329	0.345
School District #2	1.908	1.908	1.914	1.939	1.926	1.913	1.908	2.658	2.584	2.714
High School District #100	1.636	1.554	1.566	1.586	1.572	1.555	1.553	1.599	1.525	1.509
Community College District #502	0.207	0.206	0.205	0.204	0.203	0.201	0.197	0.193	0.218	0.210
	5.812	5.624	5.465	5.561	5.549	5.372	5.574	6.274	6.065	6.259

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

DuPage County Clerk's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

ELK GROVE TOWNSHIP PROPERTY TAX RATES  
(Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Cook County	0.993	1.023	0.989	0.946	0.911	0.877	0.824	0.778	0.690	0.659
Forest Preserve	0.073	0.072	0.074	0.074	0.072	0.070	0.069	0.067	0.061	0.059
Elk Grove Township	0.091	0.089	0.090	0.091	0.086	0.083	0.085	0.073	0.070	0.072
Suburban TB Sanitarium	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.007	0.006	0.004
Northwest Mosquito Abatement	0.010	0.010	0.010	0.011	0.010	0.010	0.011	0.010	0.009	0.010
Metro Water Reclamation District	0.495	0.495	0.492	0.451	0.444	0.419	0.415	0.401	0.371	0.361
Village of Elk Grove Village	0.568	0.546	0.554	0.562	0.527	0.511	0.514	0.481	0.462	0.512
Elk Grove Village Public Library	0.178	0.173	0.173	0.176	0.174	0.176	0.186	0.176	0.180	0.195
Elk Grove Village Park District	0.549	0.561	0.520	0.528	0.516	0.515	0.534	0.478	0.458	0.504
School District #59	2.030	1.993	2.011	2.091	2.029	2.021	2.116	1.943	1.855	2.127
High School District #214	2.259	2.166	2.189	2.278	2.204	2.183	2.257	1.989	1.888	1.982
Community College District #512	0.296	0.279	0.281	0.292	0.277	0.270	0.347	0.308	0.295	0.310
	7.550	7.415	7.391	7.508	7.258	7.143	7.366	6.711	6.345	6.795

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

Cook County Clerk's Office



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
SCHAUMBURG TOWNSHIP PROPERTY TAX RATES  
(Per \$100 of Equalized Assessed Valuation)

Last Ten Levy Years

Tax Levy Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Cook County	0.993	1.023	0.989	0.946	0.911	0.877	0.824	0.778	0.690	0.659
Forest Preserve	0.073	0.072	0.074	0.074	0.072	0.070	0.069	0.067	0.061	0.059
Schaumburg Township	0.128	0.125	0.118	0.135	0.127	0.110	0.107	0.110	0.105	0.111
Schaumburg Township Library	0.368	0.361	0.368	0.370	0.358	0.361	0.372	0.319	0.304	0.319
Suburban TB Sanitarium	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.007	0.006	0.004
Metro Water Reclamation District	0.495	0.495	0.492	0.451	0.444	0.419	0.415	0.401	0.371	0.010
Northwest Mosquito Abatement	0.010	0.010	0.010	0.011	0.010	0.010	0.011	0.010	0.009	0.361
Village of Elk Grove Village	0.568	0.546	0.554	0.562	0.527	0.511	0.514	0.481	0.462	0.512
Elk Grove Village Park District	0.549	0.561	0.520	0.528	0.516	0.515	0.534	0.478	0.458	0.504
School District #54	3.694	3.579	3.634	3.751	3.595	3.532	3.706	3.283	3.142	3.414
High School District #211	2.629	2.489	2.517	2.595	2.464	2.418	2.450	2.147	2.067	2.165
Community College District #512	0.296	0.279	0.281	0.292	0.277	0.270	0.347	0.308	0.295	0.310
	9.811	9.548	9.565	9.723	9.309	9.101	9.357	8.389	7.970	8.428

Note: The Village of Elk Grove Village is situated in part of two counties, Cook and DuPage, and three townships, Addison, Elk Grove and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is situated.

Data Source

Cook County Clerk's Office

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUATION  
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA

Last Ten Fiscal Years

Fiscal Year Ended	Population	Equalized Assessed Valuation	Gross General Obligation Debt	Debt Service Monies Available	Net General Obligation Debt	Ratio of		
						Net General Obligation Debt to Equalized Assessed Valuation	Net General Obligation Debt	Per Capita
1995	33,429	\$ 1,353,596,335	\$ 30,150,000	\$ 875,274	\$ 29,274,726	2.16	\$	876
1996	33,429	1,348,668,236	26,645,000	1,048,545	25,596,455	1.90		766
1997	33,429	1,433,876,718	24,940,000	1,184,932	23,755,068	1.66		711
1998	33,429	1,468,963,580	23,155,000	1,330,777	21,824,223	1.49		653
1999	34,800	1,466,877,058	21,295,000	1,437,417	19,857,583	1.35		571
2000	34,800	1,551,598,132	19,355,000	1,545,384	17,809,616	1.15		512
2001	34,727	1,594,590,269	17,415,000	1,459,986	15,955,014	1.00		459
2002	34,727	1,580,660,966	15,545,000	1,588,365	13,956,635	0.88		402
2003	34,727	1,795,329,698	22,815,000	1,959,882	20,855,118	1.16		601
2004	34,727	1,916,292,173	20,810,000	1,692,772	19,117,228	1.00		551

Data Source

U.S. Department of Commerce, Bureau of Census for 2001. Special census for 1998. All other years have been estimated by the  
Department of Finance for the purpose of this report.  
Office of the DuPage Clerk and Office of the Cook County Assessor  
Audited Financial Statements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2004

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
Direct Debt			
Village of Elk Grove Village	\$ 20,810,000	100.00%	\$ 20,810,000
Overlapping Debt			
Cook County	2,778,045,000	1.73%	48,060,179
Cook County Forest Preserve District	37,355,000	1.73%	646,242
Metro Water Reclamation District	1,365,545,000	1.77%	24,170,147
DuPage County <sup>(1)</sup>	100,435,000	0.34%	341,479
DuPage County Forest Preserve District	173,378,939	0.34%	589,488
Schaumburg Township	2,760,000	5.75%	158,700
Bensenville Park District <sup>(1)</sup>	5,177,665	6.46%	334,477
Elk Grove Park District <sup>(1)</sup>	8,945,000	94.50%	8,453,025
Mount Prospect Park District <sup>(1)</sup>	4,900,000	7.58%	371,420
Schaumburg Park District <sup>(1)</sup>	27,550,000	1.61%	443,555
Wood Dale Park District	1,998,870	10.34%	206,683
Schaumburg Township Public Library District	11,905,000	5.85%	696,443
School District CC #2	6,593,158	7.01%	462,180
School District CC #7	2,215,000	11.21%	248,302
School District CC #54	116,460,000	6.81%	7,930,926
School District CC #59	32,340,000	52.88%	17,101,392
Fenton High School #100	1,330,000	8.86%	117,838
Palatine Township High School #211	39,550,000	4.24%	1,676,920
Arlington Heights Township			
High School #214	16,953,473	19.53%	3,311,013
Community College District #502 <sup>(1)</sup>	118,405,000	0.36%	426,258
Harper Community College District #512 <sup>(1)</sup>	84,680,000	11.64%	9,856,752
TOTAL	<u>\$ 4,957,332,105</u>		<u>\$ 146,413,419</u>

(1) Excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds that are anticipated to be paid by sources other than general taxation.

Data Source

Office of the County Clerk - Cook and DuPage Counties

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2004

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The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“ The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property.... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts.”

To date, the Illinois General Assembly has set no limits for home rule municipalities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

Last Ten Fiscal Years

Fiscal Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Principal	\$ 2,050,000	\$ 3,505,000	\$ 1,705,000	\$ 1,785,000	\$ 1,860,000	\$ 1,940,000	\$ 2,015,000	\$ 2,105,000	\$ 2,310,000	\$ 2,525,000
Interest	1,557,689	1,377,031	1,216,496	1,125,595	1,048,279	970,980	891,465	734,708	534,457	679,387
TOTAL DEBT SERVICE	\$ 3,607,689	\$ 4,882,031	\$ 2,921,496	\$ 2,910,595	\$ 2,908,279	\$ 2,910,980	\$ 2,906,465	\$ 2,839,708	\$ 2,844,457	\$ 3,204,387
TOTAL GENERAL GOVERNMENTAL EXPENDITURES	\$ 29,452,713	\$ 31,289,456	\$ 31,692,333	\$ 33,612,638	\$ 34,128,547	\$ 35,103,016	\$ 38,835,621	\$ 40,103,778	\$ 44,503,476	\$ 44,415,459
RATIO OF DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES	12.25%	15.60%	9.22%	8.66%	8.52%	8.29%	7.48%	7.08%	6.39%	7.21%

Note: Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data Source

Audited Financial Statements

# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## DEMOGRAPHIC STATISTICS

### Last Ten Fiscal Years

Fiscal Year	Population	School Enrollments				Totals
		Elementary		Secondary		
		District 54	District 59	District 214	District 211	
1995	33,429	2,442	3,002	1,703	758	7,905
1996	33,429	2,352	3,109	1,711	768	7,940
1997	33,429	2,322	2,833	1,839	776	7,770
1998	33,429	2,378	2,898	1,796	796	7,868
1999	34,800	2,349	2,878	1,776	800	7,803
2000	34,800	2,337	2,853	1,895	827	7,912
2001	34,727	2,340	2,882	1,911	816	7,949
2002	34,727	2,265	3,096	2,010	797	8,168
2003	34,727	2,258	2,943	1,938	806	7,945
2004	34,727	1,600	2,350	1,155	896	6,001

Note: A small portion of secondary students from the Village of Elk Grove Village attend James B. Conant High School in Hoffman Estates, Illinois (District 211). The amount identified represents both incorporated and unincorporated area residents.

#### Data Sources

Population - Official U.S. Census figures

School enrollment

District 54 - Community Services

District 59 - Registrar

District 214 - Registrar - Elk Grove High School

District 211 - Registrar - Conant High School

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS  
PROPERTY VALUE AND CONSTRUCTION PERMITS

Last Ten Calendar Years

Calendar Year	Commercial and Industrial Construction		Residential Construction		Miscellaneous Construction	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
1994	682	\$ 19,685,239	353	\$ 2,920,722	286	\$ 471,743
1995	706	30,302,203	328	7,242,329	269	608,875
1996	836	42,392,419	338	13,056,673	415	1,369,012
1997	803	45,037,211	267	5,044,240	552	1,655,288
1998	1,061	36,943,134	303	3,612,527	629	2,819,942
1999	961	53,638,671	404	4,692,971	923	2,368,356
2000	837	100,975,410	481	15,330,431	607	2,197,542
2001	679	33,433,411	356	7,472,582	697	2,177,106
2002	584	21,043,377	452	6,207,243	700	2,016,996
2003	684	110,825,008	589	16,601,727	596	16,025,786

Notes: Includes all construction activities including new buildings, additions and remodeling.  
Includes permits for signs, pools, fences and other miscellaneous permits.

Data Sources

Construction information from the year-end report of the Engineering and Community Development Department, Village of Elk Grove Village.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PRINCIPAL TAXPAYERS

April 30, 2004

Taxpayer	Description of Business/Property	2002 Equalized Assessed Valuation	Percentage of Total Equalized Assessed Valuation
Crane & Norcross	Real estate law firm	\$ 32,577,350	1.70%
Centerpoint Properties	Office buildings	29,881,696	1.56%
Hamilton Partners	Industrial/warehouse buildings	28,238,743	1.47%
Gullo Properties	Commercial/industrial real estate	24,083,275	1.26%
Rodgers Industrial Park	Industrial/warehouse buildings	21,378,222	1.12%
Miller Global Properties	Commercial/industrial real estate	20,520,186	1.07%
BBKI Northwest Point	Office buildings	18,763,638	0.98%
Trammel Crow Co.	Commercial/industrial real estate	18,549,542	0.97%
ADP Inc.	Payroll services	17,183,514	0.90%
Draper & Kramer	Commercial/industrial real estate	14,586,928	0.76%
TOTAL		<u>\$ 163,304,048</u>	<u>8.53%</u>

Note: Information is presented for the most recent (previous) year available.

Data Source

Office of the County Clerk - Cook and DuPage Counties



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS

April 30, 2004

Date of incorporation July 17, 1956

Form of government Council/Manager

Geographic location The Village of Elk Grove Village is located approximately 22 miles northwest of Chicago's loop, adjacent to O'Hare International Airport's west boundary

	Population	Median Age	Number of Households
Incorporated July 17, 1956	116	Unknown	Unknown
1960	6,608	18	1,612
1970	20,346	20	6,248
1974 - Special census October (A)	25,303	25	7,546
1980	28,679	29	9,774
1984	30,476	Unknown	Unknown
1988 - Special census June (B)	33,205	32	11,761
1990	33,429	33	12,002
1998 - Special census June (B)	34,800	Unknown	Unknown
2000 - Census	34,727	38	13,278

(A) Became Home-Rule Community on this date

(B) Requested by the Village of Elk Grove Village

Streets 131 Miles

Fire Protection

Training Tower		1
Number of stations		4
Employees		
Sworn personnel	89	
Civilian	11	
Total		100

Insurance rating class 2

Police Protection

Employees		
Sworn personnel	94	
Civilian	23	
School crossing guards	11	
Total		128

Authorized Positions

All department		
Full-time	333	
Part-time	48	
Total		381

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS (Continued)

April 30, 2004

<hr/>			
Library Services			
Number of libraries			1
Resources			
Book - titles			256,894
Video recordings - titles			20,907
Audio recordings - titles			20,664
Periodicals, current - titles			447
Registered borrowers			33,365
Total loans			721,016
Employees			
Full-time	16		
Part-time	48		
Pages - part-time	13		
Total			77
Recreational facilities			
Elk Grove Park District - 433.0 acres			
Golf Courses (18-hole championship and 18-hole miniature)			2
Parks ( 1 amusement park and 1 water slide park)			52
Swimming pools			
Outdoor	2		
Indoor	1		
Total			3
Tennis courts (3 lighted)			21
Forest Preserve District - Cook County			
Busse Woods - 437 acres			
Habitat and wildlife			
Bicycling and hiking - 12 miles			
Picnicking - 32 groves			
Winter sports - snowmobiles			
Model airplane flying			
Busse Lake - 590 acres			
Canoeing, rowboating, sailboating			
Fishing			
Boating center			
Water Utility			
Customers	2004	2003	
Residential	10,309	10,299	
Industrial	1,935	1,944	
	12,244	12,243	
Capacity - gallons per day			17,000,000
Storage - gallons			9,500,000
Daily average gallons consumption			6,922,000

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

MISCELLANEOUS STATISTICS (Continued)

April 30, 2004

Ten Largest Water Users Fiscal Year 2002	Gallons Metered	Percentage of Total Metered Gallons (1)
Amitron Corporation	67,035,700	3.34%
Alexian Brothers Medical Center	47,527,460	2.37%
Tingstol Company	32,281,030	1.61%
Chem-Plate	22,698,800	1.13%
Lester Lawrence	22,686,000	1.13%
Pre-Finish Metals	20,949,000	1.04%
Electronic Interconnect	16,361,000	0.82%
Baker & Baker	13,650,000	0.68%
John B. Sanfilippo	13,108,400	0.65%
Densply International Inc.	13,107,000	0.65%
Total	269,404,390	13.43%

Note: (1) Total metered gallons for fiscal year 2002 was 2,006,369,447

Sewer Utility	
Customers	
Residential	10,444
Industrial	1,935
	<u>12,379</u>

The municipal system in the Cook County portion of the Village of Elk Grove Village is connected to the Metro Water Reclamation District for sanitary sewerage treatment.

The portion of the system in DuPage County is treated in one treatment plant owned by the Village of Bensenville through an inter-governmental agreement with the Village of Elk Grove Village.

**VILLAGE OF ELK GROVE VILLAGE**  
Cook and DuPage Counties, Illinois

**ANNUAL FINANCIAL INFORMATION**

**STATEMENT OF INDEBTEDNESS**

	As Percent of			
	Amount Applicable as of April 30, 2004	Assessed Value	Estimated True Value	Per Capita (Pop. 34,727)
Assessed Valutaion of Taxable Real Property, 2003	\$ 1,883,290,833	100.00%	33.33%	\$ 54,231.31
Estimated True Value of Taxable Real Property, 2003	\$ 5,649,872,499	300.00%	100.00%	\$ 162,693.94
Direct General Obligation Bonded Debt (1)	\$ 20,810,000	1.10%	0.37%	\$ 599.25
Overlapping Bonded Debt Payable from Property Taxes (2):				
Schools	\$ 43,546,444	2.31%	0.77%	\$ 1,253.97
Other than Schools	\$ 84,935,155	4.51%	1.50%	\$ 2,445.80
Total Overlapping Bonded Debt	\$ 128,481,599	6.82%	2.27%	\$ 3,699.76
<b>Total Direct and Overlapping Bonded Debt</b>	<b>\$ 149,291,599</b>	<b>7.93%</b>	<b>2.64%</b>	<b>\$ 4,299.01</b>

Notes:

1. The Village is a home-rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt. See "Retirement Schedule of Outstanding Village General Obligation Debt" on page 2 for a listing of the Village's non-general obligation debt and currently outstanding general obligation debt.
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at April 30, 2002" on page 2. (Note: The Village reserves the right to increase or decrease the issue amount by up to \$150,000.)

Due 12/1	Paid from Property Taxes				Total Maturities		Debt Service Tax Levies From Property Taxes	
	Series 2001	Series 2002	Series 2003A	Series 2003B (Due 1/1)	Annual Amount	Cumulative	Year	Amount
2004	655,000	1,405,000	-	495,000	2,555,000	12.28%	2003	3,311,086
2005	285,000	515,000	-	705,000	4,060,000	19.51%	2004	3,186,061
2006	295,000	530,000	610,000	725,000	6,220,000	29.89%	2005	2,799,364
2007	-	-	625,000	1,605,000	8,450,000	40.61%	2006	2,800,174
2008	-	-	640,000	750,000	9,840,000	47.28%	2007	2,807,413
2009	-	-	660,000	770,000	11,270,000	54.16%	2008	1,905,063
2010	-	-	680,000	800,000	12,750,000	61.27%	2009	1,895,488
2011	-	-	705,000	830,000	14,285,000	68.64%	2010	1,899,738
2012	-	-	735,000	865,000	15,885,000	76.33%	2011	1,899,538
2013	-	-	760,000	-	16,645,000	79.99%	2012	1,896,938
2014	-	-	795,000	-	17,440,000	83.81%	2013	999,775
2015	-	-	825,000	-	18,265,000	87.77%	2014	997,975
2016	-	-	860,000	-	19,125,000	91.90%	2015	999,975
2017	-	-	905,000	-	20,030,000	96.25%	2016	997,675
2018	-	-	780,000	-	20,810,000	100.00%	2017	822,900
	<b>\$ 1,235,000</b>	<b>\$ 2,450,000</b>	<b>\$ 9,580,000</b>	<b>\$ 7,545,000</b>				

Notes:

1. The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt.

**BONDED DEBT RATIOS & PER CAPITA DEBT – LAST TEN GENERAL OBLIGATION BOND SALES  
(NOTE 1)**

Village Issues		Ratio to Estimated Actual Value		Per Capita		
Sale Date	Amount	Direct Debt	Direct and Overlapping	Direct and Overlapping	Estimated Actual Value	Population Estimate
May 1, 1986	\$9,750,000	0.48%	1.78%	\$1,182	\$66,440	30,476
December 17, 1987	5,000,000 (2)	0.61%	1.67%	1,342	74,801	32,500
June 13, 1987	10,000,000	0.90%	2.23%	1,795	80,442	33,205
November 12, 1991	10,000,000	0.96%	2.34%	2,383	101,589	33,429
September 16, 1992	10,000,000	0.93%	2.86%	3,024	105,621	33,429
October 22, 1993	10,000,000	0.83%	2.53%	2,976	117,678	33,429
December 16, 1993	10,000,000	0.82%	2.42%	2,851	117,678	33,429
April 10, 2001	3,375,000	0.36%	1.97%	2,706	137,465	34,800
February 21, 2002	5,800,000	0.33%	1.99%	2,734	137,446	34,727
April 10, 2003	9,580,000	0.42%	2.29%	3,558	155,095	34,727
September 1, 2003	7,660,000	0.43%	2.32%	3,596	155,095	34,727

Notes:

1. Taken from applicable Official Statements. The last Village General Obligation issue prior to the 1986 issue was in 1977.
2. The Village issued these bonds on behalf of the High-Level Excess Liability Pool which is a joint venture of 15 Illinois municipalities. Pursuant to an intergovernmental agreement, each of the municipalities is responsible for an allocation of the current debt service based upon a formula which includes miles of streets, full-time equivalent employees, number of motor vehicles, and operating revenues. The final maturity of this issue was paid December 1, 1997.

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES**  
**April 30, 2004**

School Districts	Percent of Village's 2002 Real Property in Taxing Body	Gross Bonded Debt	Village's Applicable Share of Gross Debt to be Paid From Real Property Taxes		
			Percent	Amount	
Elementary Schools:					
Elk Grove District 59	79.57%	32,340,000	52.88%	17,101,392	
Schamburg District 54	14.98%	116,460,000	6.81%	7,930,926	
Wood Dale District 7	3.40%	2,215,000	11.21%	248,302	
Bensenville District 2	2.50%	6,593,158	7.01%	462,180	
High School Districts:					
Township District 214	79.69%	16,953,473	19.53%	3,311,013	
Township District 211	14.86%	39,550,000	4.24%	1,676,920	
Fenton District 100	5.41%	1,330,000	8.86%	117,838	
Community Colleges:					
Harper District 512	94.55%	84,680,000 (2)	11.64%	9,856,752	
College of DuPage District 502	5.41%	118,405,000 (2)	0.36%	426,258	
Total School Districts		418,526,631		41,131,581	
Other than School Districts:					
Cook County (incl. Forest Preserve)	94.55%	2,815,400,000	1.73%	48,706,420	
DuPage County (inc. Forest Preserve)	5.41%	273,813,939	0.34%	930,967	
Metro Water Reclamation District	94.55%	1,365,545,000	1.77%	24,170,147	
Schaumburg Township	12.51%	2,760,000	5.75%	158,700	
Park Districts:					
Elk Grove	83.07%	8,945,000	94.50%	8,453,025	
Mount Prospect	5.81%	4,900,000	7.58%	371,420	
Wood Dale	3.40%	1,998,870	10.34%	206,683	
Schaumburg	2.77%	27,550,000	1.61%	443,555	
Bensenville	2.50%	5,177,665	6.46%	334,477	
Schaumburg Township Public Library	12.51%	11,905,000	5.85%	696,443	
Total Other than School Districts				84,471,837	

**Notes:**

1. Villages share based upon 2002 real property valuations.
2. Figures may include alternate revenue source bonds.

# **EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES (NOTE 1)**

For General Taxing Purposes (Note 1)

For All Taxing Purposes

Tax Levy Year(3)	Gross Real Property	Less Exemptions(2)	Net for General Taxing Purposes(7)	Increase Over Prior Years	Net for General Taxing Purposes	Plus Incremental Valuation	Total for All Taxing Purposes(6)
1997	\$1,515,048,365	\$48,171,307	\$1,466,877,058	0.1% (5)	\$1,466,877,058	\$0	\$1,466,877,058
1998	1,601,440,388	49,842,256	1,551,598,132	5.8%	1,551,598,132	0	1,551,598,132
1999	1,644,265,876	49,675,607	1,594,590,269	2.8%	1,594,590,269	9,910,554	1,604,500,823
2000	1,630,782,737	50,121,771	1,580,660,966	-0.8% (5)	1,580,660,966	10,299,394	1,590,960,360
2001	1,698,411,877	42,866,148	1,795,329,698	13.8%	1,795,329,698	10,566,681	1,805,896,379
2002			1,916,292,173	6.7%	1,916,292,173	0	1,916,292,173
2003			1,883,290,833	-1.7%	1,883,290,833	0	1,883,290,833

## **Notes:**

- Property in Cook County is separated into eight classifications for assessment purposes (ranging in 1985 from 16% for residential to 40% for commercial property). After the assessor establishes the fair market value of a parcel of land, that value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established – tax rates are applied to the equalized valuation.
- Includes three major categories of exemptions: the Senior Citizens' Homestead Exemption (\$4,875,000 in 2000), the Senior Citizens Tax Freeze Homestead Exemption (\$2,774,376 in 2000), and the General Homestead Exemption (\$42,472,395 in 2000). The Senior Citizens' Homestead Exemption, effective for tax years 1991 and following, is a reduction of \$2,500 (\$1,500 in levy years 1972-1983 and \$2,000 in levy years 1984-1990) in the equalized assessed valuation of real property owned and occupied by a person 65 years of age or older. The General Homestead Exemption is available to owner-occupied residential property; the amount of the exemption in the increase in the current year's equalized assessed valuation above the 1977 tax year equalized assessed valuation, with a maximum of \$1,500 in 1978, \$3,000 between 1979 and 1982, \$3,500 between 1983-1990 and \$4,500 thereafter. The Senior Citizen Tax Freeze Homestead Exemption, first effective in levy year 1994, provides that persons 65 or older with a household income of less than \$40,000 (up from \$35,000 in levy year 1998 and prior) may receive an exemption in the amount of the difference between the current equalized assessed value of their principal residence and the lowest previous assessment in a qualifying year, even if the senior was not eligible for some intervening year.
- Under the current triennial reassessment system in Cook County, one third of the County is reassessed each year. The Cook County portion of the Village was reassessed in 1998 and 2001. Additional reassessment will be conducted in 2004 (for taxes to be collected in 2005). The DuPage County portion of the Village was reassessed in 2003.
- By valuation, 81.4% of the Village is in Elk Grove Township (Cook County), 13.2% is in Schaumburg Township (Cook County), and 5.4% is in Addison Township (DuPage County).
- The -1.1% decrease in 1997, the -.8% decrease in 2000, and the -1.7% decrease in 2003 were primarily due to decreases of .13%, 1.2%, and .37% respectively, in the State imposed equalization factor for Cook County.
- The Village's tax rate is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocating fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".
- The Village is primarily in Cook County, but a portion is in DuPage County. The valuation is DuPage County and the percentage of the Village over the last five years were: 1996=\$80,915,073 (5.5% of the Village's net equalized assessed valuation); 1997=\$80,521,580 (5.5%; 1998=\$84,103,250 (5.4%); 1999=\$89,264,670 (5.6%); 2000=\$92,388,250 (5.8%); 2001=\$98,485,190.; and 2002=\$103,742,090.

**TAX BASE DISTRIBUTION**  
(As of January 1, 2000) (Note)

	<b>Village of Elk Grove Village</b>				<b>Cook County</b>
	<b>Cook County</b>	<b>DuPage County</b>	<b>Total</b>	<b>Percent of Total</b>	<b>Percent of Total</b>
Residential	\$471,154,326	\$0	\$471,154,326	26.20%	26.20%
Industrial	986,744,738	98,048,760	1,084,793,498	60.40%	55.00%
Commercial	238,546,916	436,430	238,983,346	13.30%	13.30%
Railroad	398,528	-	398,528	NIL	NIL
Total	1,696,844,508	98,485,190	1,795,329,698	100.00%	100.00%

Note: Most recent data available.

**TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION**  
**LEVY YEAR**

<b>Village of Elk Grove(1):</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Corporate	\$0.268	\$0.268	\$0.267	\$0.243	\$0.228	\$0.233
Bonds & Interest	0.155	0.149	0.152	0.133	0.124	0.146
Pension (Fire, Police, IMRF, SS)	0.103	0.092	0.092	0.102	0.107	0.110
Emergency Management	0.001	0.001	0.003	0.003	0.002	0.023
<b>Total Village of Elk Grove</b>	<b>\$0.527</b>	<b>\$0.510</b>	<b>\$0.514</b>	<b>\$0.481</b>	<b>\$0.461</b>	<b>\$0.512</b>
Cook County, incl. Forest Preserve	0.983	0.924	0.893	0.845	0.751	0.718
Metropolitan Water Recl. District	0.444	0.419	0.415	0.401	0.371	0.361
Elk Grove School District #59	2.029	2.021	2.116	1.943	1.855	2.127
Township High School District #214	2.204	2.183	2.257	1.989	1.888	1.982
Harper Community College #512	0.277	0.27	0.347	0.308	0.295	0.310
Elk Grove Public Library	0.174	0.176	0.186	0.176	0.180	0.195
Elk Grove Park District	0.516	0.515	0.534	0.478	0.458	0.504
Township & All Other	0.104	0.124	0.104	0.09	0.085	0.086
<b>Total(2)</b>	<b>\$7.258</b>	<b>\$7.142</b>	<b>\$7.366</b>	<b>\$6.711</b>	<b>\$6.344</b>	<b>\$6.795</b>

Notes:

1. As a home rule unit under the 1970 Illinois Constitution, the Village has not statutory tax rate or levy limitations.
2. Tax rate applicable to the largest tax code, which represented 81.4% of the Village's 2002 tax base and is located in Cook County (Elk Grove Township).



**TAX EXTENSIONS AND COLLECTIONS**  
(Village Purposes Only)

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of	
			April 30, 2003(1)	Percent
1996	1997	8,200,985	8,200,790	99.99%
1997	1998	8,329,444	8,272,641	99.32%
1998	1999	8,313,506	8,389,970	100.92%
1999	2000	8,219,322	8,299,534	100.97%
2000	2001	8,340,607	8,277,547	99.24%
2001	2002	8,827,612	8,637,594	97.85%
2002	2003	9,067,040	8,905,629	98.22%

Notes:

1. Source: Cook Count and DuPage County Treasurer's Offices (94.5% of the Village's tax base is in Cook County). Taxes collected in Cook County, including late payments, are shown as collections in the year when due **regardless of when the collection occurs**. The "Amount Collected" is not the same as distributions to the Village as collections include taxes paid under protest. When the taxes are paid under protest are remitted, they are not included as taxes collected as they have already been considered "collected".
2. Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is one-half of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

**TEN LARGEST TAXPAYERS**

Rank	Taxpayer	Description of Business/Property	2002 Equalized Assessed Valuation	% of Total Assessed Valuation
1	Crane & Norcross	Real Estate Law Firm	\$32,577,350	1.70%
2	Centerpoint Properties	Office Buildings	29,881,696	1.56%
3	Hamilton Partners	Industrial/Warehouse Buildings	28,238,743	1.47%
4	Gullo Properties	Commercial/Industrial Real Estate	24,083,275	1.26%
5	Rogers Industrial Park	Industrial/Warehouse Buildings	21,378,222	1.12%
6	Miller Global Properties	Commercial/Industrial Real Estate	20,520,186	1.07%
7	BBKI Northwest Point	Office Buildings	18,763,638	0.98%
8	Trammel Crow Co.	Commercial/Industrial Real Estate	18,549,542	0.97%
9	ADP Inc.	Payroll Services	17,183,514	0.90%
10	Draper & Kramer	Commercial/Industrial Real Estate	14,586,928	0.76%
<b>Total Ten Largest Taxpayers</b>			<b>\$225,763,094</b>	<b>11.78%</b>

Notes:

The figures above are totals of numerous parcels with a 2001 EAV of approximately \$200,000 or more as recorded in the Cook and DuPage Count Assessor's offices. Every effort has been made to report the largest taxpayers. However, the taxpayers listed may own numerous parcels in the Village, and it is possible that parcels with a small EAV have been overlooked. Thus, the valuation presented herewith have been noted as approximations.

# **FIXED ASSETS AT APRIL 30, 2004**

	<b>Governmental Activities(1)</b>	<b>Business-Type Activities</b>	<b>Total</b>
Land	\$4,816,828	\$1,856,369	\$6,673,197
Land Right of Way	27,266,097	-	27,266,097
Buildings and Land Improvements	27,962,737	4,758,673	32,721,410
Machinery and Equipment	3,584,206	2,405,437	5,989,643
Licensed Vehicles	5,386,792	916,285	6,303,077
Underground Water and Sewer Lines	-	12,952,329	12,952,329
Infrastructure	41,837,700	-	41,837,700
Subtotal	\$110,854,360	\$22,889,093	\$133,743,453
Less: Accumulated Depreciation	(43,750,014)	(8,117,430)	(51,867,444)
Total	\$67,104,346	\$14,771,663	\$81,876,009

**Notes:**

- Fixed assets used in government fund type operations are accounted for in the General Fixed Assets Account Group rather than in governmental funds. All fixed assets are valued at historical cost or estimated historical cost if actual is not known. Contributed fixed assets are recorded at their fair market value on the data donated. Public domain (infrastructure) fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems have not been capitalized. This table excludes the \$6,659,586 general fixed assets of the Elk Grove Village Public Library. Fixed Assets in the Proprietary Funds are valued at historical cost or estimated historical cost. Depreciation on all exhaustible fixed assets is charged as an expense against operations. Depreciation is provided over the estimated useful lives using the straight-line method.

**COMBINED STATEMENT – ALL FUNDS (NOTE 1)**  
**Fund Equity 2000-2003 and Summary 2004 Revenues, Excess Revenues and Fund Equity**  
**(Fiscal Years Ended April 30)**

					2004		Fund Equity
					Revenues Incl. Transfers	Excess Revenues Over Expenditures	
Government Fund Types:	2000	2001	2002	2003	Property Tax	Total	
General Fund	\$ 20,885,606	\$ 26,258,814	(7) \$ 27,211,703	\$ 17,690,464	\$ 5,677,805	\$ 28,097,659	(\$5,252,917)
Special Revenue Funds:							
ICRC	9,028,366	9,438,262	2,246,525	10,067,537	-	3,901,119	614,455
Cable Television(8)	-	-	-	146,967	-	326,678	101,293
Foreign Fire Insurance	457,541	399,786	82,082	481,108	-	104,331	92,050
Municipal Purpose	251,754	273,916	1,756	75,502	-	706	706
IMRF	111,704	85,325	763,440	(26,503)	794,567	794,804	(22,891)
Motor Fuel Tax	2,583,328	2,615,061	1,085,799	2,022,879	-	1,004,231	(409,356)
Emergency Management	6,051	(4,790)	51,999	2,112	44,662	47,532	(3,097)
Legal Defense(9)	-	-	-	-	-	6,415,000	3,990,884
Asset Seizure	55,761	41,868	1,470	35,160	-	19,878	2,846
Recycling	209,623	352,575	1,163,862	853,476	-	966,165	(526,410)
Total Special Revenue	\$ 12,704,128	\$ 13,202,003	\$ 5,396,933	\$ 13,658,238	\$ 839,230	\$ 13,580,444	\$ 3,840,480
Debt Service	1,545,384	1,560,455	2,942,179	1,959,882	2,410,687	10,315,252	(267,110)
Capital Projects(3)	127,474	(986,439)	1,477,009	7,384,795	885,717	1,718,895	241,870
Total Governmental Funds	\$ 35,262,592	\$ 40,032,833	(7) \$ 37,027,824	\$ 40,693,379	\$ 9,813,438	\$ 53,712,250	\$ (1,437,677)
Proprietary Fund Type:(5)							
Enterprise Fund:							
Waterworks & Sewerage	\$ 26,326,431	\$ 26,304,171	\$ 8,351,372	\$ 25,390,022	-	7,783,920	(829,393)
Internal Service Fund:							
Capital RPLC Fund(6)	7,264,721	7,712,237	284,639	8,098,804	-	357,563	(4,349)
Total Proprietary Funds	\$ 33,591,152	\$ 34,016,408	\$ 8,636,011	\$ 33,488,826	-	\$ 8,141,483	\$ (633,742)
Fiduciary Funds:							
Working Cash	\$ 852,909	- (3)	-	-	-	-	-
Police Pension	30,496,023	32,806,519	2,628,271	34,694,020	762,622	3,976,783	2,720,652
Firefighters' Pension	40,661,429	42,467,962	1,936,629	41,663,319	771,732	4,659,044	2,465,314
Total Fiduciary Funds	\$ 72,010,361	\$ 75,274,481	\$ 4,564,900	\$ 76,357,339	\$ 1,534,354	\$ 8,635,827	\$ 5,185,966
Component Unit-Library	854,304	761,468	3,113,763	465,190	3,023,264	3,536,468	4,166
Total All Funds (Memo Only)	\$ 141,718,409	\$ 150,085,188	(7) \$ 53,342,498	\$ 151,004,734	\$ 14,371,056	\$ 74,026,028	\$ 2,918,713

Cash and Investments	1999	2000	2001	2002	2003	2004
General Fund	\$ 12,718,933	\$ 17,299,750	\$ 20,712,548	\$ 13,523,358	\$ 11,522,714	\$ 8,632,587
Special Revenue Funds	10,706,388	12,190,954	12,996,590	12,242,533	13,333,166	17,018,065
Debt Service Funds	2,516,400	2,624,299	2,630,232	2,586,123	3,011,340	2,742,866
Capital Project Fund	8,050,233	7,709,256	7,141,433	12,261,356	14,389,138	12,060,190
Proprietary Fund-Enterprise	6,563,611	8,419,266	10,030,026	9,532,717	9,157,393	8,296,587
Capital Replacement Fund	5,803,661	5,220,148	5,062,691	5,485,926	5,300,575	5,162,740
Component Unit	1,976,290	2,113,162	2,029,976	2,110,837	1,997,178	2,070,992
Fiduciary Funds	68,895,579	71,332,849	74,754,877	76,621,904	76,382,044	81,645,529
Total Cash & Investments	\$ 117,231,095	\$ 126,909,684	\$ 135,358,373	\$ 134,364,754	\$ 135,093,548	\$ 137,629,556

**Notes:**

1. These condensed financial statements for the fiscal years ending April 30, 1999-2004 have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete audits. The full financial statements, together with the report of the Village's independent accountants, are available upon request. The accounting policies of the Village conform to generally accepted accounting principles as applied to governmental units. The accounts of the Village are organized on the basis of funds and account groups. A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds are grouped into the three broad categories of Governmental Funds, Fiduciary Funds and Proprietary Funds. Within the Governmental Funds are the General Fund (the general operation fund) which is used to account for all financial resources except those required to be accounted for in another fund; Special Revenue Funds which are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes; Debt Service Funds; and Capital

Project Funds. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus which has only current assets and current liabilities on the balance sheet and operating statements present increases and decreases in net current assets. All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus with all assets and liabilities associated with the operation of these funds included on the balance sheets and fund equity segregated into contributed capital and retained earnings--operating statements present increases and decreases in net total assets. The modified accrual basis of accounting is followed for all Governmental Fund Types and Expendable Trust Funds (in the Fiduciary Funds category). All remaining Fiduciary Funds (Pension Trust Funds) and Proprietary Funds are accounted for using the accrual basis of accounting. The "Report of Independent Auditors" in the Village's general purpose financial statements for its fiscal year ended April 30, 2004 included the following language (comparable "clean" opinions were included in the Village's 1999-2000 audits shown in this table): "In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Elk Grove Village, Illinois, as of April 30, 2004, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America."

2. The Industrial/Commercial Revitalization Fund receives the Village revenue derived from the Village's 3% municipal telecommunications services tax that became effective January 23, 1996 and interest earned on the Fund.
3. The Residential Enhancement Fund/Program was adopted by the Village Board on December 4, 2000 and a Fund was created within the Capital Projects Fund to which the Village transferred \$902,934 from the Working Cash Fund which was closed. As of April 30, 2002 the Residential Enhancement Fund had a Fund Balance of \$8.9 million. The Village's Budget for the fiscal year ended April 30, 2003 for the Fund was \$9.8 million (sources: \$5,594,872 from the General Fund, \$2,399,968 from the Capital Projects Fund, \$902,934 from the Working Cash Fund, \$850,000 from other funds).
4. Property tax receipts in the Capital Projects Funds represent incremental property taxes in the Grove Mall Redevelopment Fund. The Fund was created when the Village advanced funds from the General Fund to provide for the acquisition of an underdeveloped/underutilized shopping center and the redevelopment of that property into a "town center". The TIF was established in 1996. The Grove Mall Redevelopment Fund had an April 30, 2003 fund balance of negative \$6,169,499 down from a negative \$6,746,764 the prior year. The General Fund fund balance at April 30, 2003 showed \$8,599,705 "Reserved for Advance" with an offsetting amount as "Advances to Other Funds" which reflects the loan from the General Fund which the Village expects to be repaid in 23 years. As of April 30, 2003, the other funds in the Capital Projects Fund had fund balances of \$11,533,127 (the Capital Projects Fund) and \$2,296,764 (the Residential Enhancement Fund) which together with the \$6,169,499 negative balance in the Grove Mall Fund resulted in the Combined Fund balance of \$7,384,795.
5. The amounts shown as fund balances for the Proprietary Funds are fund equity (includes contributed capital) and the amounts shown as "excess revenues" represent the change in fund equity. "Total revenues" represent operating revenues.
6. The Capital Replacement Fund receives transfers from the operating funds and effectively serves as a depreciation fund for the acquisition of capital equipment.
7. The fund balance in the General Fund was restated for prior period adjustment.
8. The Cable Television Fund was added in Fiscal Year 2003, after being taken over from the Elk Grove Park District.
9. The Legal Defense Fund was added in May of Fiscal Year 2004, to defend the Village from unwarranted taking of public land and private property currently within the corporate limits of the Village.

**GENERAL FUND**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**(Fiscal Years Ending April 30)**

**Audited (Note 1)**

Revenues/Transfers(3)	1999	2000	2001	2002	2003	2004	2005 Budget(2)
Property Taxes	\$ 4,176,450	\$ 4,216,948	\$ 4,213,087	\$ 4,912,453	\$ 5,459,300	\$ 5,677,805	\$ 5,007,583
Sales Taxes(4)	11,878,847	12,997,865	12,562,188	11,122,358	10,925,328	11,748,530	13,918,725
Food & Beverage(5)	564,642	608,448	654,114	651,440	631,337	631,797	663,000
State Income Tax	2,407,823	2,572,901	2,754,482	2,480,952	2,269,063	2,098,490	2,239,900
Franchise Taxes(9)	292,181	349,670	386,598	393,178	58,030	484,164	131,595
Hotel Room Tax	1,390,217	1,362,561	1,353,356	952,956	839,166	895,932	955,000
Motor Vehicle Licenses	582,420	564,484	505,257	557,855	511,428	685,359	556,355
Building Permits	479,523	653,236	741,695	330,066	338,689	1,058,401	400,000
Other Licenses Permits	366,348	370,257	409,678	374,578	351,842	337,395	414,770
Charges for Services	306,041	283,000	342,803	313,559	291,831	362,056	344,700
Fines	684,712	704,360	568,904	719,758	709,993	775,111	757,500
Interest	577,948	607,054	1,347,954	833,131	496,122	457,568	200,000
Real Estate Trans. Tax(6)	643,379	804,496	876,977	889,948	885,570	1,187,754	1,000,000
Transfer-In:							
Water and Sewer(9)	766,862	805,200	845,460	867,750	932,138	-	-
All Other Revenues	1,818,850	1963,211	1967,497	267,9472	1631051	1697297	4,195,556
Total Revenues/Trans.	\$ 26,916,243	\$ 28,863,691	\$ 29,530,050	\$ 28,099,454	\$ 26,330,888	\$ 28,097,659	\$ 30,784,684
Expenditures:							
General Government	\$ 5,552,070	\$ 5,614,918	\$ 6,177,325	\$ 6,196,778	\$ 6,163,228	\$ 3,269,003	\$ 4,930,777
Public Safety	12,861,865	13,547,086	14,271,167	16,125,650	16,756,100	20,156,851	20,147,781
Highway and Streets	3,848,719	3,931,607	4,230,486	4,281,696	4,338,736	4,800,100	5,720,776
Health Services	264,683	245,061	282,615	294,300	307,430	361,289	532,222
Community Services	77,802	80,797	82,828	80,088	63,661	103,214	-
Budget to GAAP Adjustment	(54,460)	(102,667)	142,647	-	-	-	-
Subtotal Expended Before Capital Outlay	\$ 22,550,679	\$ 23,216,802	\$ 25,187,068	\$ 26,978,512	\$ 27,629,155	\$ 28,690,457	\$ 31,331,556
Capital Outlay/Transfer							
Capital Projects	1008279	1517822	942140	1616142	735692	560119	1031949
Total Expenditures	\$ 23,558,958	\$ 24,734,624	\$ 26,129,208	\$ 28,594,654	\$ 28,364,847	\$ 29,250,576	\$ 32,363,505
Revenues Over (Under) Expenditures							
Before Capital	\$ 4,365,564	\$ 5,646,889	\$ 4,342,982	\$ 1,120,942	\$ (1,298,267)	\$ (592,798)	\$ (546,872)
After Capital	3,357,285	4,129,067	3,400,842	(495,200)	(2,033,959)	(1,152,917)	(1,578,821)
Adj. To Fund Balance							
Fund Balance at April 30	\$ 16,679,403	\$ 20,885,606	\$ 24,286,448	\$ 19,280,992	\$ 17,690,464	\$ 15,997,109	\$ (2,125,693)
Assets:	1999	2000	2001	2002	2003	2004	
Cash & Investments	\$ 12,718,993	\$ 17,299,750	\$ 20,712,548	\$ 13,523,358	\$ 11,522,714	\$ 8,632,587	
Receivables:							
Property Taxes	2,789,511	2,799,303	2,943,208	3,283,063	3,310,542	3,614,214	
Other Receivables	755,836	790,174	972,687	625,970	613,533	678,579	
Due From Other Governments	1,350,920	1,405,011	1,384,640	2,884,233	2,882,811	3,533,235	
Advances to Other Funds(7)	6,301,991	6,301,991	6,301,991	8,602,602	8,599,705	8,597,983	
All Other Assets	1,497,491	1,215,867	1,022,970	962,252	1,133,337	1,202,668	
Total Assets	\$ 25,414,742	\$ 29,812,096	\$ 33,338,044	\$ 29,881,478	\$ 28,062,642	\$ 26,259,266	
Liabilities & Fund Balances:							
Accounts Payable	\$ 699,052	\$ 760,339	\$ 530,611	\$ 580,798	\$ 512,763	\$ 518,531	
Accrued Vacation Liability	794,157	874,493	914,967	967,326	992,450	595,996	
Deposits	118,570	118,569	127,570	-	-	-	
Due to Other Funds	643,467	758,115	763,958	1,308,798	706,069	4,217,515	
Deferred Property Taxes	4,995,724	5,041,687	5,136,728	5,556,621	5,763,453	6,007,583	
All Other Liabilities	\$ 1,484,309	\$ 1,373,267	\$ 1,577,699	\$ 2,186,943	\$ 2,397,443	\$ 1,479,082	
Fund Balances:							
Reserved	\$ 356,090	\$ 216,978	\$ 239,545	\$ 798,969	\$ 326,905	\$ 224,257	
Reserved for Advance(7)	6,301,991	6,301,991	6,301,991	8,602,602	8,599,705	8,597,983	
Undesignated	10,021,322	14,366,637	17,744,912	9,879,421	8,763,854	4,618,319	
Total Fund Balance	\$ 16,679,403	\$ 20,885,606	\$ 24,286,448	\$ 19,280,992	\$ 17,690,464	\$ 13,440,559	
Total Liabilities and Fund Balances	\$ 25,414,682	\$ 29,812,096	\$ 33,337,981	\$ 29,881,478	\$ 28,062,642	\$ 26,259,266	

Notes:

1. These condensed financial statements for the General Fund for the years ending April 30, 1999-2004 have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete financial statements. The full financial statements, together with the report of the Village's independent accountants, are available upon request. See Note 1 to "Combined Statement—All Funds".
2. The Village Manager submits a proposed operating budget to the Board of Trustees which budget includes proposed expenditures and the means of financing them. Subsequent to budget hearings, the budget is legally enacted through passage of an ordinance. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. Budgets are adopted on a basis consistent with generally accepted accounting principles except the Police and Firefighter's Pension Fund contributions or the related property tax revenues are not budgeted.
3. The Village has not availed itself of the up to 5% utility tax for charges on electric and water services. Effective January 23, 1996, a 3% telecommunications tax was implemented for deposit into the Industrial/Commercial Revitalization Fund. Effective March 1, 1998, a 1% telecommunications tax was implemented for the General Fund.
4. Effective September 1, 1991 a ½% home rule sales tax was adopted. Effective January 1, 2003, the home rule sales tax increased to ¾ %. The amount here is the combined 1¾% tax.
5. Effective August 1, 1988 a 1% home rule tax on the sale of prepared food and alcoholic beverages became effective.
6. Effective July 1, 1988 a real estate transaction tax in the amount of \$3/1,000 sales price became effective.
7. See footnote 4 to "Combined Statement" table.
8. The General Fund balance was restated in Fiscal Year 2001 in the amount of \$1,972,366 for restated Fund Balance of \$26,258,814.
9. The Village implemented a \$0.01 per therm Natural Gas use tax starting Jan 2004. Anticipated revenue is \$600,000 annually.